

June 18, 2001

Saskatchewan Securities Commission
Ontario Securities Commission
Office of the Administrator, New Brunswick
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland
Registrar of Securities, Northwest Territories
Registrar of Securities, Nunavut
Registrar of Securities, Yukon Territory

c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 800, Box 55
Toronto, Ontario
M5H 3S8

Dear Sirs:

**Re: Notice of Proposed Multilateral Instrument 33-108 ? Permanent
Registration (the ? Proposed Instrument?)**

On behalf of RBC Investments (?RBCI?), the wealth management platform of the Royal Bank Financial Group, I am pleased to make this submission in response to the request for comments for the Proposed Instrument. The individual registrant companies represented by this submission include, in generic terminology, discretionary investment managers and mutual fund and securities dealers, all of whom are listed as follows:

RBC Global Investment Management Inc.
Royal Mutual Funds Inc.
Royal Bank Action Direct Inc.
RBC Dominion Securities Inc.
RBC Private Counsel Inc.
RT Capital Management Inc.
(collectively, the ?Registrant(s)?)

On a consolidated basis, the Registrants sponsor approximately 13,000 employees. As well as

having an impact on corporate registration renewals, then, the Proposed Instrument will impact the timing of the registration renewal process for a multitude of individual employees and thereby have a major impact on our businesses.

In general, while we support efforts that seek to harmonize and simplify the registration and registration renewal process, we have concerns with respect to some of the practical consequences of the Proposed Instrument. A key element of the Proposed Instrument is the introduction of a single date, December 15, for the receipt of all corporate and individual registration renewal applications and required fees (? Single Filing Date Requirement?).

We are concerned that the Proposed Instrument does not address the operational consequences for Registrants in complying with the Single Filing Date Requirement. If the Proposed Instrument were to be enacted prior to the implementation of proposed National Instrument 31-102 *National Registration Database* (? Proposed NI 31-102) the Registrants would experience significant difficulty in complying with the Single Filing Date Requirement. The Single Filing Date Requirement would have to be integrated with the current registration renewal processes ? namely, differing registration renewal processes across multiple provinces and territories. The effect of the Proposed Instrument would be to require *all* of the aforementioned renewals to be completed on December 15. This alternative is both expensive and inefficient from the perspective of the Registrants.

In Ontario, the registration renewal process commences when the Ontario Securities Commission (?OSC?) forwards a list of registered employees and a fee calculation to each Ontario registrant approximately one month prior to the renewal date. The registrant must then undertake to reconcile the OSC?s list of employees with its own internal list and address any discrepancies. In the case of each of the Registrants, such employee lists alone can be made up of hundreds or thousands of registered employees. Any and all discrepancies in these large lists must in turn be investigated and corrective action taken.

For operational and cost efficiencies, there is one central registration department for all of the Registrants. It is central registration staff that are responsible for responding to the OSC and effecting the timely filing of completed renewal applications. Further, upon investigating a discrepancy our staff may be required to retrieve relevant supporting documentation and provide it to the OSC. As can be seen, the registration renewal process for Ontario is an intensive process requiring an extensive investment of time and resources by central registration staff of the Registrants.

Currently, our central registration department is not equipped to process, simultaneously, renewals for all of the Registrants and their approximately 13,000 individually registered employees for all of the provinces and territories across Canada. Complying with the Proposed Instrument would require the hiring and training of significant additional staff to be utilized only for the few weeks preceding December 15. Upon completion of the renewal the additional staff hired to meet the deadline date would not be required until the next registration renewal date one year later. In our view, this result is neither desirable nor cost effective. Sporadic staffing levels may contribute to increased errors in processing. Further, the extra cost associated with increased staffing levels would likely be passed on to our client base without any benefit or extra value being afforded to clients or to corporate or individual registrants.

It should be noted that the December timeframe is also problematic in that this period in the year has traditionally been one where many employees of the Registrants take holidays.

Furthermore, it is also a time of year when many businesses are looking to hire temporary staff for the holiday season. Thus, irrespective of cost issues, maintaining and hiring sufficient staff to assist in the renewal process at this time of the year will, in itself, be a significant challenge for the Registrants. The Proposed Instrument does not make explicit the proposed mechanisms for addressing these logistical and staff resourcing challenges.

On a related note, we are also concerned with the staffing and resources of the relevant securities regulatory authorities in responding to the increased volume of renewal applications, fees and enquiries from registrants. Similar staff resourcing and logistical challenges may impair the response time of the Commissions during this period of traditionally lower staffing levels, yet significantly increased renewal application volumes.

In any event, if the Proposed Instrument is enacted substantially in the form in which it now appears, we believe that it should clearly provide registrants with a definitive transitional framework to assist them in adapting to some very fundamental changes to their current registration renewal activities and responsibilities. A transitional period would ensure that registrants are not placed in a position where they are unable to comply with material aspects of the Proposed Instrument, or would face significant and avoidable expenses in doing so. Finally, the Proposed Instrument should address whether or not the operation of the Single Filing Date Requirement will address the potential for the double payment of fees in the year that the Proposed Instrument is enacted.

In the event the enactment of the Proposed Instrument is postponed until implementation of Proposed NI 31-102, it is possible that a Single Filing Date Requirement may be feasible. However, the Proposed Instrument as currently drafted does not make it clear whether the Proposed Instrument will come into effect prior to or after Proposed NI 31-102. As we are unaware of the salient elements of a national registration database system we are unsure as to whether we could comply with the Single Filing Date Requirement in conjunction with such a system, much less under the current regime where a national registration database system does not yet exist.

Conclusion

As presently constituted the Proposed Instrument's costs to the Registrants and their clients as well as to securities regulatory authorities will outweigh its benefits. A standardized renewal date is of very limited value without a standardized renewal process or system. At a minimum, we believe that the Proposed Instrument should not be made final until a national registration database is established, in accordance with Proposed NI 31-102 and a workable transition timeline and framework established in consultation with registrants.

Thank you for providing us with the opportunity to comment on the Proposed Instrument. As requested, a diskette with the submission in WordPerfect 5.X for Windows is enclosed. If you would like discuss our suggestions further or if you need any clarification or further information please do not hesitate to contact the undersigned or Raj Sachdeva at (416) 955 6797.

Yours very truly,

Sandra M. Jorgenson
Encl.

#21649 v7 - RBCI - Response to Proposed MI 33-108