

ADMINISTRATIVE PROCEEDING
BEFORE THE
MARYLAND SECURITIES COMMISSIONER

IN THE MATTER OF:

*

RBC Capital Markets LLC

*

Docket No. 2014-0458

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* * * * *

CONSENT ORDER

WHEREAS, pursuant to Section 11-405 of the Maryland Securities Act, Corporations and Associations Article, Title 11, Annotated Code of Maryland (2014 Repl. Vol.) (the "Act"), RBC Capital Markets LLC (the "Respondent" or "RBC") has been registered with the Maryland Division of Securities (the "Division") as a broker-dealer since 1989, and notice filed as a federal covered adviser with the Division since 1997; and

WHEREAS, Section 11-101 of the Act defines an investment adviser representative to include an individual who has a place of business located in this State and is employed by or associated with a federal covered adviser, and who renders investment advice to clients; and

WHEREAS, Section 11-402 of the Act provides that an investment adviser representative who has a place of business in this State may not transact business on behalf of a federal covered adviser, unless the investment adviser representative is registered or exempt from the registration requirements; and

WHEREAS, from March 27, 2009 to June 2, 2014, JD was associated with RBC as an agent and as an investment adviser representative; and

WHEREAS, from March 27, 2009 to about August 2, 2011, JD was located at a Pennsylvania office and was registered as an investment adviser representative with Pennsylvania,

but relocated to a Maryland office on or about August 3, 2011; and

WHEREAS, following his relocation to Maryland, JD immediately began providing investment advisory services to his existing advisory clients and even opened 22 new advisory accounts for those existing clients; and

WHEREAS, between August 3, 2011 and June 2, 2014, the date of JD's termination from RBC, JD's advisory services generated fees of approximately \$745,000; and

WHEREAS, during that time, JD was registered with the Division as an agent, but not as an investment adviser representative; and

WHEREAS, RBC's internal procedures failed to prevent JD from engaging in advisory services from a Maryland office without being registered and failed to detect JD's lack of registration that spanned 4 consecutive years; and

WHEREAS, RBC has provided the Division with policies and procedures, as outlined in their correspondence, that are designed to prevent any future unregistered investment adviser representative activities; and

WHEREAS, the Commissioner has determined that it is in the public interest to enter into this Consent Order; and

WHEREAS, Respondent consents to the actions set forth below.

NOW, THEREFORE, it is ordered that:

1. Respondent, contemporaneous with the issuance of this Consent Order, shall pay a \$15,000 fine to the Division.
2. Respondent shall follow the compliance policies and procedures provided to the Division (or as modified or amended pursuant to regulatory or other legal requirements) in connection with this matter, which procedures are incorporated by reference herein.

3. Respondent shall in all future activities in Maryland comply fully with the Act and the rules and regulations promulgated thereunder.

If the Respondent fails to comply with any term of this Consent Order, the Division may institute administrative or judicial proceedings against Respondent to enforce this Consent Order or to sanction the Respondent for violating an order of the Commissioner, and may take any other action authorized under the Act or any other applicable law. Solely for the purposes of determining those sanctions, the facts and the violations of the Act set forth in this Consent Order shall be deemed admitted and may be introduced into evidence against the Respondent by the Division.

The terms of this Consent Order may only be modified by a subsequent order issued by the Commissioner.

DATE OF THIS ORDER:

SO ORDERED:

January 23, 2015

**Commissioner's Signature
on File w/Original Document**

Melanie Senter Lubin
Securities Commissioner

CONSENTED TO:

RBC Capital Markets LLC

BY: _____
Name

Title

On this ____ day of _____, 2015, personally appeared _____, signer of the foregoing Consent Order, who did duly acknowledge his/her signature to be his/her free act and deed.

Notary Public
My Commission Expires: _____
Seal: