

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 9041 / June 9, 2009**

<p><b>In the Matter of</b></p> <p><b>RBC Capital Markets Corp.</b></p> <p><b>Respondent.</b></p>
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**ORDER UNDER RULE 602(e) OF THE  
SECURITIES ACT OF 1933 GRANTING A  
WAIVER OF THE RULE 602(b)(4) and  
602(c)(2) DISQUALIFICATION PROVISIONS**

**I.**

Respondent RBC Capital Markets Corp. (“RBC”) has submitted a letter, dated May 1, 2009, requesting a waiver of the Rule 602(b)(4) and 602(c)(2) disqualifications from the exemption from registration under Regulation E arising from RBC’s settlement of an injunctive action commenced by the Commission.

**II.**

On June 3, 2009, the Commission filed a civil injunctive action in the United States District Court for the Southern District of New York, charging RBC, a registered broker-dealer, with violations of the broker-dealer anti-fraud provisions. In its complaint, the Commission alleged that RBC misled its customers regarding the liquidity and increasing risks associated with auction rate securities (“ARS”) that RBC underwrote, marketed and sold. On June 9, 2009, pursuant to RBC’s Consent, the Court entered a Judgment permanently enjoining RBC from violating Section 15(c) of the Securities Exchange Act of 1934. The Judgment provides that RBC will, among other things, offer to purchase at par certain ARS from certain customers.

**III.**

The Regulation E exemption is unavailable for the securities of small business investment company issuers or business development company issuers if the issuer or any of its affiliates is subject to any order, judgment, or decree of a court “temporarily or permanently restraining or enjoining such person from engaging in or continuing any conduct or practice in connection with the purchase or sale of securities.” *See* Rule 602(b)(4) of the Securities Act of 1933 (“Securities Act”). The Regulation E exemption is also not available for the securities of an issuer if an investment adviser or underwriter of the securities to be offered is “temporarily or permanently restrained or enjoined by any court from engaging in or continuing any conduct or practice in connection with the

purchase or sale of any security or arising out of such person's conduct as an underwriter, broker, dealer or investment adviser." See Rule 602(c)(2). Rule 602(e) of the Securities Act provides, however, that the disqualification "shall not apply . . . if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the exemption be denied." 17 C.F.R. § 230.602(e).

#### IV.

Based upon the representations set forth in Respondent's request, the Commission has determined that pursuant to Rule 602(e) under the Securities Act, a showing of good cause has been made that it is not necessary under the circumstances that the exemption be denied as a result of the Judgment.

Accordingly, **IT IS ORDERED**, pursuant to Rule 602(e) under the Securities Act, that a waiver from the application of the disqualification provisions of Rule 602(b)(4) and 602(c)(2) under the Securities Act resulting from the entry of the Judgment is hereby granted.

By the Commission.

Elizabeth M. Murphy  
Secretary