

March 14, 2002

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
The Manitoba 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

John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 800, Box 55
Toronto, Ontario
M5 H 3S8

**Re: Manulife Securities International Ltd. response to
Request for Comments – National Registration Database (NRD)**

Dear Mr. Stevenson,

Thank you for the opportunity to comment on the proposed Multilateral Instrument 31-102 – National Registration Database (NRD). The following comments are submitted on behalf of Manulife Securities International Ltd. (hereafter referred to as “Manulife”).

General Comments

Please consider adding an optional field that the dealer can use to capture a code that will link a record/transaction to a registrant or to a region within the dealer. This would be particularly helpful for dealers who recover the costs of registration from their registrants. Information from this field should be included in the statement that dealers receive to aid in the process of the bank account reconciliation and in the reports that the NRD can generate.

Please consider adding fields to capture any additional information that mutual fund dealers need to report to the MFDA, for example, trade names. I understand that it has not been determined whether the MFDA will be using the NRD to access registration information. If mutual fund dealers need to use two separate systems to file registration information, one for the Securities Regulators and one for filing with the MFDA, any potential for savings, either in dollar cost or convenience that the NRD could provide will

be lost. Please do everything possible to ensure that the NRD is an appropriate tool for use by the MFDA.

Please consider marking the mandatory fields on the database especially for those who will not be using the NRD with any frequency, such as registrants.

Please consider giving registrants access to their permanent record. It is more likely that registrants will recognize whether the information that has been filed on their behalf is accurate and up to date if the registrant can view the record. Also, it is not clear whether registrants will be able to initiate the filing of a material change in their record using the NRD. Please clarify.

I understand deficiencies in filings that are identified by the Securities Regulators will be communicated and resolved outside of the NRD system. Please consider developing a process of communication that uses the NRD.

Please clarify if the “fast-tracking” agreement with IFIC that allows new registrants to be conditionally approved will remain in place after the implementation of the NRD.

Please consider communicating the turn-around time for transfers and for approving new registrants that dealers can expect to experience for in-good-order filings after the implementation of the NRD.

Please consider changing the reporting platform from Adobe Acrobat to MS Excel. Excel has data sorting capabilities that are not available with Adobe Acrobat.

Implementation

A comprehensive training and communication plan will be needed to ensure that individuals have the opportunities to become familiar with the database before going live. Manulife employs registration staff across the country. Please organize and publicize training events in Vancouver, Edmonton, Regina, Toronto and Ottawa. An internet training device will be welcomed and a well-staffed 1-800 help line will be necessary for a number of months once the database is live.

Manulife is willing to participate in a pilot program for the NRD. Please consider implementing a pilot program as part of your project plan. A pilot would reveal what needs to be communicated to dealers and registrants to aid in a smooth implementation for the large number of dealers who will go live all at once.

Please consider developing a process to ensure that the registration data is accurate and up to date prior to the population of the database with tombstone information. Alternatively, please consider a post-implementation phase that would allow for corrections to be made to the records of the securities regulators without triggering unwarranted fees. The registration renewal process typically reveals where Manulife’s records differ from the regulators records and discrepancies are dealt with at that time.

Implementation is scheduled to take place less than two months from the renewal date and it is expected that discrepancies between records will exist at that time.

Please consider alternative methods for populating the database to complete the permanent record of registrants. The burden on dealers and registrants will be significant if it is required that dealers populate the database to complete the record. This information has already been submitted by the dealers in the required format and is on file with the securities regulators. Perhaps a compromise is available in requiring that the registrants' record be populated when a material change to the record of a registrant is submitted. If it is determined that the population of the database is to occur as laid out in section 8.5, please consider postponing the beginning of the schedule to after the peak RRSP contribution season.

Cost and Project Planning

Representatives from the dealer community should have been invited to participate in the NRD Working Group. Contributions from the dealer community, especially since this project was planned on a cost-recovery basis, would have been both a goodwill gesture and a method to ensure that the dealer community also gains the maximum value for the cost of this database. As the project stands now, it is not clear where the expected cost savings to offset the outlay of fees is going to materialize and it seems that needed changes will not be available for the NRD launch date.

Thank you again for the opportunity to comment.

Sincerely,

Jane Birnie
Manager, Industry & Regulatory Relations
Manulife Financial & Manulife Securities International Ltd.