



RBC LIONS™ Booster Securites

Short Term
3 - 5 years

Potential
“Booster” Return

No Cap on Return

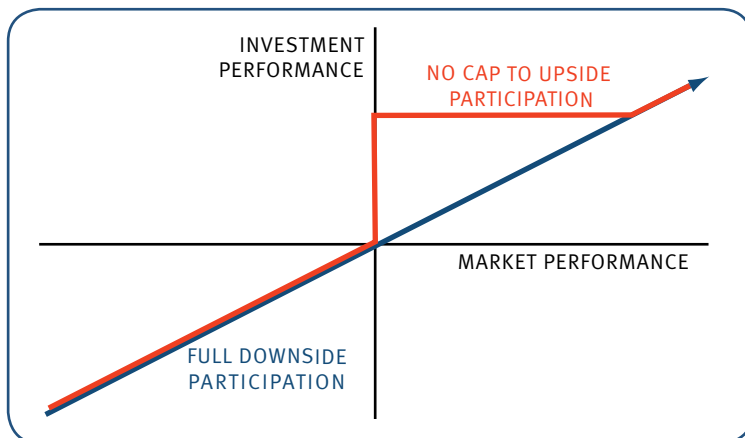
UNDERLYING ASSET CLASSES

Equities
Indicies
Commodities
Foreign Exchange

INVESTMENT HIGHLIGHTS

- › Return linked to the price performance of the Underlying Asset as measured over the term of the security
- › For any positive performance in the Underlying Asset less than the Booster Amount, the security will return the Booster Amount at maturity. For any positive performance greater than the Booster Amount, the investor will receive the full price appreciation of the Underlying Asset at maturity.
- › For any negative performance in the Underlying Asset the investor will receive a return that is equal to the Underlying Asset’s price return at maturity.
- › CAD denominated with foreign currency protection (can also be denominated in other major curriencies eg. USD, EUR, etc.)

ILLUSTRATION OF THE PAYMENT AT MATURITY



— Booster Security
— Underlying Asset

SAMPLE CALCULATION OF THE PAYMENT AMOUNT

In the sample calculations below, it is assumed that the Initial Underlying Asset Level and Final Underlying Asset Level are as illustrated below. The Booster Amount is 25%, applied only if the Percentage Change is greater than or equal to 0% and less than 25%. The term of the security in this example is three years. These Levels are hypothetical and are used for illustrative purposes only.

Example #1– Calculation of the Redemption Amount where Percentage Change is positive and greater than 25%:

Initial Underlying Asset Level = 700
 Final Underlying Asset Level = 945
 Percentage Change = $\frac{((\text{Final Underlying Asset Level} - \text{Initial Underlying Asset Level}) / \text{Initial Underlying Asset Level})}{1}$
 $= \frac{((945 - 700) / 700)}{1} = 35\%$

As the Percentage Change is greater than 25%, the return on the security is equal to the Percentage Change. Therefore, the return on the security is 35%.

Payment at Maturity = $\$10,000 + (\$10,000 \times 35\%) = \$10,000 + \$3,500 = \$13,500$

On a \$10,000 investment, a 35% Percentage Change results in a payment at maturity of \$13,500, a 35% return on the security, equivalent to a compounded rate of return of 10.52%.

Example #2– Calculation of the Payment at Maturity where the Percentage Change is positive and less than 25%:

Initial Underlying Asset Level = 700
 Final Underlying Asset Level = 770
 Percentage Change = $\frac{((\text{Final Underlying Asset Level} - \text{Initial Underlying Asset Level}) / \text{Initial Underlying Asset Index Level})}{1}$
 $= \frac{((770 - 700) / 700)}{1} = 10\%$

As the Percentage Change is positive and less than 25%, the full Booster Amount is paid. Therefore, the return on the security is 25%.

Payment at Maturity = $\$10,000 + (\$10,000 \times 25\%) = \$10,000 + \$2,500 = \$12,500$

On a \$10,000 investment, a 25% Percentage Change results in a payment at maturity of \$12,500, a 25% return on the security, equivalent to a compounded rate of return of 7.72%. In comparison, the compounded rate of return on the Underlying Asset is 3.23%.

Example #3– Calculation of the Payment at Maturity where the Percentage Change is less than 0%:

Initial Underlying Asset Level = 700
 Final Underlying Asset Level = 455
 Percentage Change = $\frac{((\text{Final Underlying Asset Level} - \text{Initial Underlying Asset Level}) / \text{Initial Underlying Asset Index Level})}{1}$
 $= \frac{((455 - 700) / 700)}{1} = -35\%$

Payment at Maturity = $\$10,000 + (\$10,000 \times -35\%) = \$6,500$

On a \$10,000 investment, a -35% Percentage Change results in a payment at maturity of \$6,500, a 35% loss on the security, equivalent to a compounded loss rate of -13.38%.

This summary is provided for discussion purposes only and it does not constitute either an offer or the solicitation of an offer to enter into a securities or any other transaction. It is not intended to set forth the terms and conditions of any transaction. This summary does not purport to identify or suggest all of the risks (direct or indirect) which may be associated with the proposed investment.

An investment in the security provides opportunities for investment but may pose risks. Specific risks include:

- Payment at Maturity – The Payment at Maturity may be less than the \$100 Principal Amount per security originally invested.
- Interest Payable at Maturity – The Principal Amount plus return (if any) is payable only at maturity.
- Secondary Market Price – The price for the security in any secondary market will be based on market conditions and could be above or below the \$100 Principal Amount per security. Royal Bank will maintain a secondary market for the security, but reserves the right not to do so in the future, without providing prior notice to the security holders.
- Extraordinary Events – The payment at maturity could be accelerated or delayed due to the occurrence of certain Extraordinary Events.