RBC Capital Markets®

EQUITY LINKED SECURITY | **RBC STRUCTURED NOTES GROUP**

RBC LiONS™ Buffered DoubleUp MaxReturn™ Securities

Short Term	Accelerated Return	Buffered Protection
1-2 Years	on the Upside to a Cap	on the Downside

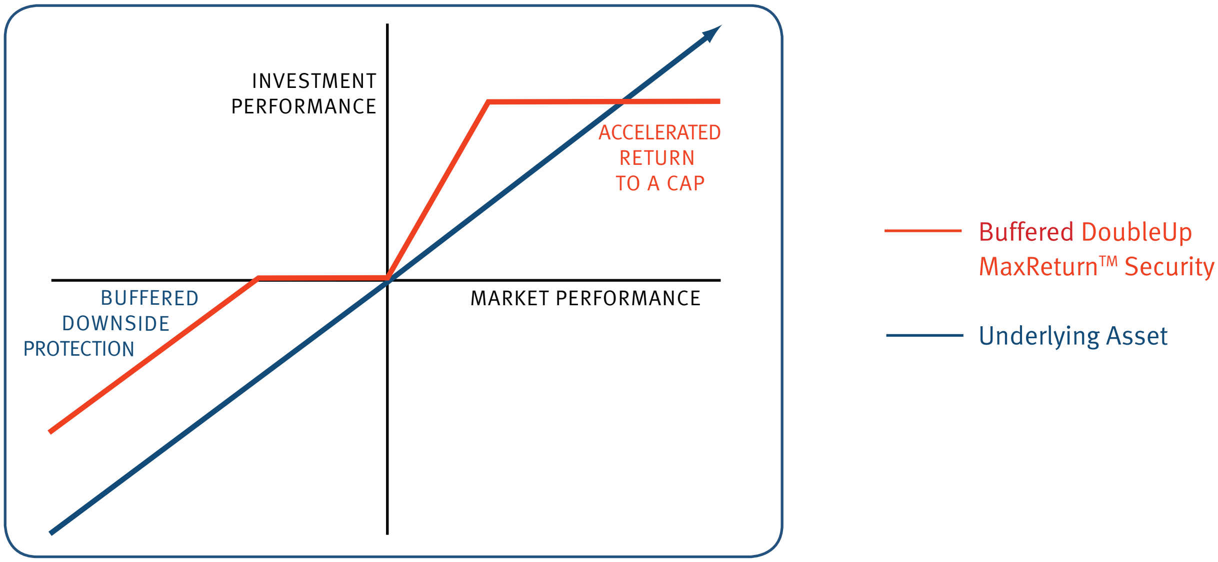
UNDERLYING ASSET CLASSES

- Equities
- Indicies
- Commodities
- Foreign Exchange

INVESTMENT HIGHLIGHTS

- Return linked to the upside price performance of the Underlying Asset as measured over the term of the security.
- For any positive performance in the Underlying Asset the investor will receive 100% of the appreciation of the Underyling Asset multiplied by the accelerated participation rate of 200%, subject to a Cap on return.
- For negative performance whose absolute value is less than the Buffer, the investor will receive a return of the Principal Amount.
- For negative performance whose absolute value is greater than the Buffer, the investor will receive a return equal to the performance of the Underlying Asset plus the Buffer.
- CAD denominated with foreign currency protection (can also be denominated in other major curriencies eg. USD, EUR, etc.)

ILLUSTRATION OF THE PAYMENT AT MATURITY



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 Participation Rate is 200%, the Buffer is 20% and the Cap is 7.5% for an overall maximum return at maturity of 15%. The term of the security in this example is 1 year. These Levels are hypothetical and are used for illustrative purposes only.

Example #1– Calculation of the Redemption Amount where the Percentage Change is positive and less than the Cap:

Initial Underlying Asset Level = 1,000
Final Underlying Asset Level = 1,050
Percentage Change = ((1,050 – 1,000) / 1,000) = 0.05000 or 5.000%
Since the Percentage Change is positive and less than the Cap, the Redemption Amount is calculated as follows:
Redemption Amount = $100 + ($100 x 5% x 200%) = $110

In this example, the Redemption Amount provides a return equivalent to an annual rate of 10%.

Example #2– Calculation of the Redemption Amount where the Percentage Change is positive and greater than the Cap:

Initial Underlying Asset Level = 1,000
Final Underlying Asset Level = 1,200
Percentage Change = ((1,200 – 1,000) / 1,000) = 0.20000 or 20.000%
Since the Percentage Change is greater than the Cap, the Redemption Amount is calculated as follows:
Redemption Amount = $100 + ($100 x 7.50% x 200%) = $115.00

In this example, the Redemption Amount provides a return equivalent to an annual rate of 15%.

Example #3– Calculation of the Redemption Amount where the Percentage Change is negative, and its absolute value is less than the Buffer (ie, the Underlying Asset has fallen in value but by less than 20%):

Initial Underlying Asset Level = 1,000
Final Underlying Asset Level = 900
Percentage Change = ((900 – 1,000) / 1,000) = -0.10000 or -10.000%
Since the Percentage Change is negative and is less than the Buffer, the Redemption Amount = $100.

In this example, the Redemption Amount is equivalent to a return of the Principal Amount.

Example #4– Calculation of the Redemption Amount where the Percentage Change is negative and its absolute value is greater than the Buffer.

Initial Underlying Asset Level = 1,000
Final Underlying Asset Level = 700
Percentage Change = ((700 – 1,000) / 1,000) = -0.30000 or -30.000%
Since the Percentage Change is negative and is greater than the Buffer, the Redemption Amount is calculated as follows:
Redemption Amount = $100 + [$100 x (-30.000% + 20.000%)] = $90.00

In this example, the Redemption Amount is equivalent to an annual loss rate of 10.00%.

An investment in the securities 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 security holders.
- Extraordinary Events – The payment at maturity could be accelerated or delayed due to the occurrence of certain Extraordinary Events.