



RBC Principal Protected Guaranteed Return BlueChip Yield LEOS™

3-7 Year Term

100%
Principal Protection at Maturity

Annual Coupons

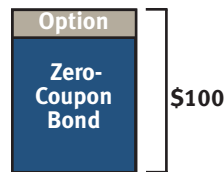
INVESTMENT HIGHLIGHTS

- › Investment designed to provide annual income based on exposure to an equally weighted Equity Portfolio
- › Return linked to the upside price performance of the Shares in the Equity Portfolio where performance per Share is measured from inception to each annual coupon valuation date.
- › Variable Interest is determined by taking the average of the Share Return Percentages where each share is subject to a maximum and a minimum return. The maximum annual coupon is paid if all Shares appreciate from inception to the annual coupon valuation date. If the average of the Share Return Percentages is less than the minimum annual coupon, the minimum annual coupon will be paid.
- › CAD denominated with foreign currency protection (can also be denominated in other major currencies eg. USD, EUR, GBP, etc.)

VALUATION OF A NOTE

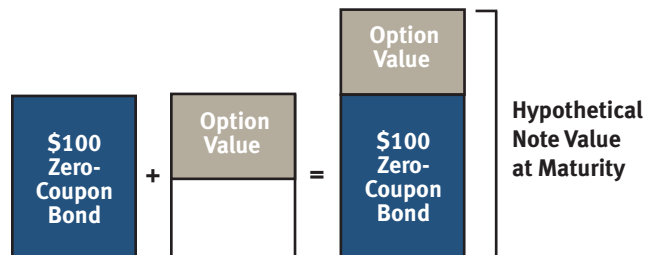
At issuance, hypothetical example:

- › Conceptually, the valuation of a note can be thought of as similar to an investment in a zero coupon bond and an option.



At maturity, hypothetical example:

- › The zero-coupon bond matures at \$100.
- › Option expires and gives the investor the performance of the underlying asset and determines the performance of the note.



SAMPLE CALCULATION OF THE VARIABLE INTEREST

In the sample calculations below, it is assumed that the Equity Portfolio is made up of 10 Canadian Equities and the prices of the Shares included in the Equity Portfolio used to illustrate the calculation of interest are hypothetical and for illustration purposes only. The term of the note in this example is assumed to be 5 years. Annual coupons based on the performance of the Shares in the Equity Portfolio where performance per Share is measured from inception to each annual coupon valuation date. Performance per Share is subject to a maximum of 8.00% and a minimum of -25.00%. If the average of the Share Return Percentages on the relevant Anniversary Date is less than 1.00%, the Variable Interest for the applicable Annual Period will be the Minimum Coupon of 1.00%. The maximum annual coupon of 8.00% is paid if all Shares appreciate from inception to the annual coupon valuation date. This illustration assumes that no Extraordinary Event has occurred.

Example #1– Hypothetical calculation of Variable Interest per Note in respect of one Annual Period where the Variable Interest paid is positive. It is assumed that the Original Valuation Price and Annual Valuation Price for each Share is as illustrated. The Share Return Percentages used to calculate interest payable in respect of such Annual Period would be calculated as follows:

Company Name	Symbol	Original Valuation Price	Annual Valuation Price	Percentage Change	Share Return Percentage
Sun Life Financial Inc.	SLF	32.06	39.58	23.456%	8.00%
ARC Resources Limited	ARX	27.26	29.12	6.823%	8.00%
Barrick Gold Corporation	ABX	52.41	53.18	1.469%	8.00%
Toronto Dominion Bank	TD	79.93	79.88	-0.063%	-0.06%
Enbridge Inc.	ENB	58.36	58.88	0.891%	8.00%
Potash Corporation of Sask	POT	59.39	60.55	1.953%	8.00%
Eldorado Gold Corporation	ELD	16.78	17.29	3.039%	8.00%
Valeant Pharmaceuticals International Inc	VRX	38.84	53.55	37.873%	8.00%
Bank of Montreal	BMO	61.77	62.10	0.534%	8.00%
Suncor Energy Inc.	SU	45.76	49.04	7.168%	8.00%
Average of Share Return Percentages					7.19%
Variable Interest for Annual Period					7.19%

Example #2– Hypothetical calculation of Variable Interest in respect of one Annual Period where the Variable Interest paid is the Minimum Rate of 1.00%. It is assumed that the Original Valuation Price and Annual Valuation Price for each Share is as illustrated. The Share Return Percentages used to calculate interest payable in respect of such Annual Period would be calculated as follows:

Company Name	Symbol	Original Valuation Price	Annual Valuation Price	Percentage Change	Share Return Percentage
Sun Life Financial Inc.	SLF	32.06	27.10	-15.471%	-15.47%
ARC Resources Limited	ARX	27.26	25.34	-7.043%	-7.04%
Barrick Gold Corporation	ABX	52.41	53.10	1.317%	8.00%
Toronto Dominion Bank	TD	79.93	54.62	-31.665%	-25.00%
Enbridge Inc.	ENB	58.36	53.80	-7.814%	-7.81%
Potash Corporation of Sask	POT	59.39	60.55	1.953%	8.00%
Eldorado Gold Corporation	ELD	16.78	15.78	-5.959%	-5.96%
Valeant Pharmaceuticals International Inc	VRX	38.84	28.78	-25.901%	-25.00%
Bank of Montreal	BMO	61.77	51.10	-17.274%	-17.27%
Suncor Energy Inc.	SU	45.76	40.66	-11.145%	-11.15%
Average of Share Return Percentages					-9.87%
Variable Interest for Annual Period					1.00%

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:

- **Variable Interest** – Variable Interest payable is based on the price performance of the Equity Portfolio. The future performance of the Equity Portfolio is unknown and could result in only the Minimum rate being paid should the return on the Equity Portfolio be negative.
- **Secondary Market Price** – The price for the notes in any secondary market will be based on market conditions and could be above or below the \$100 Principal Amount. Royal Bank will maintain a secondary market for the notes, 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.
- **Impact of Share Return Percentage Floor** - Because the negative performance of each Share has a floor of -25% and the positive performance of each Share results in an 8.00% return, the negative performance of only a few of the Shares can be sufficient to offset the positive performance of the remaining Shares.