RBC Capital Markets®

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

RBC LiONS™ TripleUp MaxReturn™ Securities

Short Term to Maturity	**Multiple Currency** Denominated	**Accelerated Return** on the Upside to a Cap

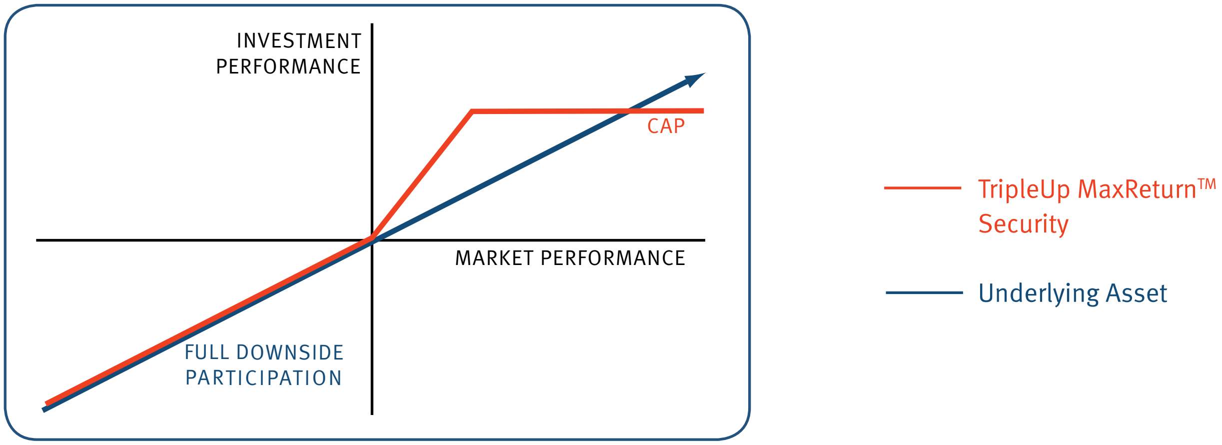
UNDERLYING ASSET CLASSES

- 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 Underlying Asset multiplied by the accelerated participation rate, in this case, 300% subject to a Cap.
- For any negative performance in the Underlying Asset the investor will receive a return that is equal to the Underlying's price return
- 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 300% and the Cap on the overall return at maturity is 30%. These Levels are hypothetical and are used for illustrative purposes only.

Example #1– Calculation of the Payment at Maturity where the Percentage Change is greater than 0%:

Initial Underlying Asset Level = 1,000

Final Underlying Asset Level = 1,050

Percentage Change = ((Final Underlying Asset Level – Initial Underlying Asset Level) / Initial Underlying Asset Level)
= ((1,050 – 1,000) / 1,000) = 5%

As the Percentage Change is greater than 0%, the Participation Rate of 300% applies. Therefore, the return on the securities is

5% x 300% = 15%

Payment at Maturity = $10,000 + ($10,000 X 15%) = $10,000 + $1,500 = $11,500

On a $10,000 investment, a 5% Percentage Change results in a payment at maturity of $11,500, a 15% return on the security, equivalent to an annual rate of return of 15%.

Example #2– Calculation of the Payment at Maturity where the Percentage Change is greater than 30%:

Initial Underlying Asset Level = 1,000

Final Underlying Asset Level = 1,350

Percentage Change = ((Final Underlying Asset Level – Initial Underlying Asset Level) / Initial Underlying Asset Index Level)
= ((1,350 – 1,000) / 1,000) = 35%

As the Percentage Change is greater than 30%, the Cap of 30% applies. Therefore, the return on the securities is

35% x 300% = 105% which is greater than the Cap of 30%; thus, the return is capped at 30%

Payment at Maturity = $10,000 + ($10,000 X 30%) = $10,000 + $3,000 = $13,000

On a $10,000 investment, a 35% Percentage Change results in a payment at maturity of $13,000, a 30% return on the security, equivalent to an annual rate of return of 30%.

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

Initial Underlying Asset Level = 1,000

Final Underlying Asset Level = 800

Percentage Change = ((Final Underlying Asset Level – Initial Underlying Asset Level) / Initial Underlying Asset Index Level)
= ((800 – 1,000) / 1,000) = -20%

Payment at Maturity = $10,000 + ($10,000 X -20%) = $10,000 + $-2,000 = $8,000

On a $10,000 investment, a -20% Percentage Change results in a payment at maturity of $8,000, a 20% loss on the security, equivalent to an annual loss rate of 20%.

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.