

Introducing RBC Correspondent Services

A Committed, Responsible Custodian For Your Assets

WHAT IS RBC CORRESPONDENT SERVICES?

RBC Correspondent Services (RBC CS) is a division of RBC Capital Markets, LLC, a wholly owned subsidiary of Royal Bank of Canada (RBC) (NYSE and TSX: RY).¹ RBC employs more than 70,000 full-and part-time employees who serve more than 15 million personal, business, public sector and institutional clients through offices in Canada, the U.S. and 48 other countries — making it a respected global leader in diversified financial services. Its financial strength, sound risk management policies, strong balance sheet, diversified business mix, and performance relative to its peers has been, and should be a source of confidence for you. We are part of RBC's U.S. Wealth Management business, which has a rich hundred-year history of serving the sophisticated wealth management needs of the world's leading families. Delivering our world-class wealth management solutions and custodial services to broker-dealers is an important strategic priority to RBC.

WHAT ARE RBC'S CREDIT RATINGS?

RBC's senior long-term debt credit ratings are strong, including the Aa3 rating from Moody's Investors Services, the AA- rating from Standard and Poor's and AA (stable) ratings from Fitch and DBRS.²

WHAT IS RBC'S STANDING AMONGST ITS PEERS IN GLOBAL FINANCIAL SERVICES?

RBC is the sixth largest bank in North America and the 14th largest bank in the world in terms of market capitalization.³ Global Finance magazine rated RBC the safest bank in Canada (1999-2011) and rated RBC

the safest bank in North America (2011). In addition, RBC has been named one of the world's top 100 sustainable companies for its efforts to do business in a sustainable and responsible manner.⁴

HOW WILL RBC CORRESPONDENT SERVICES PROTECT MY ASSETS AS A CUSTODIAN?

In addition to RBC CS's proven commitment to responsible stewardship⁵, we comply with Securities and Exchange commission requirements to maintain certain capital requirements⁶, as well as to keep client assets separated from our assets and the assets of others (unless you have signed a margin agreement).⁷

Since RBC Capital Markets, LLC is a member of Securities Investor Protection Corporation — a nonprofit corporation funded by member securities broker-dealers — you are eligible for SIPC insurance protection. In the event of a catastrophic loss of RBC CM's firm capital, SIPC reserve funds would be available to satisfy claims against the firm, up to \$500,000 per client, including up to \$250,000 in cash.⁸

Beyond SIPC insurance, RBC carries additional insurance through Lloyd's of London. The policy provides additional securities and cash protection up to \$99.5 million per SIPC qualified account (of which \$900,000 may be cash). The firm's excess SIPC policy is subject to a maximum aggregate amount payable of \$400 million.



RBC Correspondent Services

Introducing RBC Correspondent Services, continued

Investment Type	SIPC Coverage	Excess SIPC Coverage*	Total Coverage
Securities and cash	\$500,000 (maximum \$250,000 cash)	\$99,500,000 (maximum \$900,000 cash)	\$100,000,000 (maximum of \$1,150,000 cash)

*Subject to a \$400,000,000 cap.

WHAT ARE MY NEXT STEPS?

We are looking forward to both earning your trust and establishing a long-term relationship with you and your family. For more information about the strength and stability of RBC, visit the corporate profile and investor relations sections of www.rbc.com.

¹ Royal Bank of Canada and RBC Capital Markets, LLC carry separate balance sheets and are responsible for separate debts. Royal Bank of Canada does not guarantee any debt or liabilities of RBC CS.

² Source: Bloomberg, February 25, 2009.

³ Source: Bloomberg, October 16, 2009.

⁴ Global 100 list identifying companies that have the best-developed abilities, relative to their industry peers, to manage environmental, social and governance risks and opportunities. The Global 100 list is compiled by the World Economic Forum in Davos, Switzerland. RBC has been named to this list every year from 2004 to 2008.

⁵ RBC CS shares RBC's conservative, client-focused values. For example, as a result of RBC's commitment to responsible stewardship, RBC did not receive any TARP funding during the recent financial markets credit and liquidity crisis.

⁶ SEC minimum capital requirements are maintained to reimburse clients, should securities be damaged or misplaced.

⁷ SEC securities segregation requirements are maintained to so they may be readily identified and returned to you.

⁸ SIPC insurance does not protect you from a decline in securities value. For more information about SIPC, visit www.sipc.org.

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