

RBC Capital Markets' Strength in the Municipal Bond Market

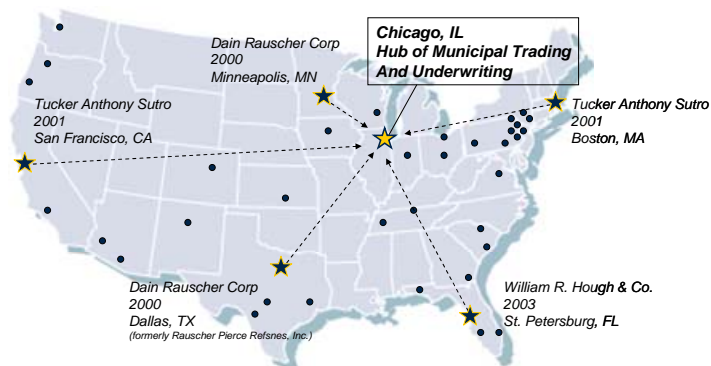
RBC Capital Markets is the brand name under which we offer fixed income research, sales, trading and banking services to our clients in the U.S., through an institutional sales force of over 160, underwriters in every region who are experts in their markets, a highly regarded research group, and retail distribution through RBC Dain Rauscher Inc. with a network of over 1,700 financial consultants. Our regional expertise combined with our national scope give us a unique advantage in gathering and evaluating information on bonds issued in the areas we serve. With over 3,600 employees, we serve clients through 60 offices in 11 countries world-wide.

Trading and Underwriting

With 11 regional trading and underwriting desks across the country, we provide in-depth market knowledge and access to local municipal bond issuers. Our team of 60 municipal underwriters and traders is among the most active on or off Wall Street, underwriting between 10 and 15 issues per week, on average. We maintain extensive inventory positions and actively participate in both the primary and secondary markets, offering our clients a wide range of investment opportunities. Through BondDesk, traders and financial consultants have access to more than 75 commingled retail inventories, from primary and regional dealers across the country. This live and executable trading platform allows us to provide our customers with competitive offerings and the largest selection of fixed income products in the marketplace. As a result, we are able to provide our customers with more opportunities and achieve better pricing for their trades.

Retail Distribution

Through RBC Dain Rauscher, we have an expansive retail distribution network. With retail branch offices located throughout the nation, our underwriting and trading capabilities are broadly dispersed and far reaching, delivering a wide range of municipal products coupled with our ongoing dedication to individual client focus.



Research and Strategies Group

Supplying you with quality research is one more way we strive to provide the best in fixed income products and services. Our municipal strategies group provides in-depth access to credit information, market conditions, and product information for our clients. We publish timely commentaries on the economy, fixed income markets, and investment strategies.



Municipal Bond Market

In 2006, our Public Finance Department was the most active underwriter of negotiated municipal securities in the nation, and strives to continue their leadership in 2007:

- #1 Lead Manager, Negotiated Bank Qualified Issues
- #1 Lead Manager, Negotiated Middle Market Issues, by number of issues

National Bank Qualified Lead Manager League Table Negotiated: Full Credit to Book Manager 01/01/2006 - 12/31/2006				
Full to Book Manager	Par Amt (US\$ mil)	Rank	Mkt. Share	# of Issues
RBC Capital Markets	1,007.8	1	10.0	170
A G Edwards & Sons Inc	608.7	2	6.1	89
Robert W Baird & Co	452.4	3	4.5	106
Piper Jaffray & Co	423.8	4	4.2	113
George K Baum & Company Inc	423.5	5	4.2	72
D A Davidson & Co	388.7	6	3.9	144
Fifth Third Securities Inc	315.4	7	3.1	63
PNC Capital Markets Inc	233.4	8	2.3	39
Northland Securities	230.3	9	2.3	94
Seattle-Northwest Securities Corp	226.2	10	2.3	43
Top 10 Total	4,310.2	-	42.9	933
Industry Total	10,066.0	-	100.0	2,485

National Middle Market Lead Manager League Table Negotiated: Full Credit to Book Mgr, Issues \$50mm & Under 01/01/2006 - 12/31/2006				
Full to Book Manager	Par Amt (US\$ mil)	Rank	Mkt. Share	# of Issues
RBC Capital Markets	6,815.2	1	7.9	501
UBS Securities LLC	6,885.9	2	8.0	325
Piper Jaffray & Co	2,999.5	3	3.5	291
A G Edwards & Sons Inc	3,355.8	4	3.9	240
Banc of America Securities LLC	4,029.3	5	4.7	224
Morgan Keegan & Co Inc	3,055.6	6	3.5	199
George K Baum & Company Inc	2,984.0	7	3.5	194
Citigroup	3,123.3	8	3.6	128
Merrill Lynch & Co	2,803.2	9	3.2	118
Lehman Brothers	2,473.0	10	2.9	117
Top 10 Total	38,524.8	-	44.7	2,337
Industry Total	86,588.6	-	100.0	7,113

Investment Banking

We operate one of the largest municipal finance departments in the country, comprised of more than 160 investment banking professionals. Our various banking offices throughout the country provide local clients with public finance professionals who have first-hand knowledge of the area and a vested interest in the community at large.

The bankers are able to sustain a level of active involvement with the issuer by attending local meetings and establishing a direct relationship free from geographic barriers. The growth of our public finance practice has been built upon maintaining significant banking offices in select cities across the country. These core market offices are staffed with public finance bankers that have significant municipal finance expertise coupled with considerable knowledge of their specific market's economy, demographics and public finance laws.

Continued Success

RBC Capital Markets' leadership in Public Finance continued in 2006. With 571 issues underwritten¹, RBC was the most active Senior Manager of Negotiated

Issues during 2006. Additionally, RBC was the second most active Senior Manager for all issues.

In the middle markets sector, RBC was the most active Senior Manager by number of issues for Negotiated Middle Market issues (\$50 million and under), and number one in Senior Managed Negotiated deals under \$10 million, both by number of issues and par dollar amount.

Contact Us

60 South Street, Minneapolis, MN 55402-4422
(612) 371-7730

RBC Capital Markets is a trade name of Royal Bank of Canada and its affiliates, including RBC Capital Markets Corporation and the fixed income businesses of RBC Dain Rauscher Inc. in the U.S. (members NYSE – SIPC), RBC Dominion Securities Inc. in Canada (member CIPF), and Royal Bank of Canada (Europe) Ltd.

The fixed income investment banking, sales, trading and underwriting activities of Royal Bank of Canada throughout the world are carried out under the name RBC Capital Markets. The municipal securities underwriting and financial advisory services of RBC Capital Markets in the United States are provided by RBC Dain Rauscher Inc., a full-service broker-dealer (including retail brokerage). Balance sheet products, such as interest rate swaps and letters of credit, are provided by Royal Bank of Canada. [RBC Centura Bank is a bank in the southeastern United States that is a wholly-owned subsidiary of Royal Bank of Canada.] The terms "RBC," "we" or "our" in this proposal refer to one or more of these entities as indicated by the context.

(01/07)

¹U.S. League Table data released by Thompson Financial