

Impact of New Fixed Administration Fee (Series F)

The table illustrates that if the new fixed administration fee had been in place in 2006, the MER for most of these RBC Funds would have been lower than the actual 2006 MER.

RBC Funds (Series F units)	2006 Actual MER %	New Fixed Administration Fee %	2006 Adjusted MER ¹ %	Difference in MER %
MONEY MARKET FUNDS				
RBC Canadian Money Market Fund	0.65	0.05	0.59	-0.06
RBC Premium Money Market Fund ²	–	0.02	0.23	–
INCOME FUNDS				
RBC Canadian Short-Term Income Fund	0.73	0.05	0.69	-0.04
RBC Bond Fund	0.74	0.05	0.69	-0.05
RBC Advisor Canadian Bond Fund ³	0.57	0.05	0.59	0.02
RBC Monthly Income Fund	0.86	0.05	0.85	-0.01
RBC \$U.S. Income Fund	1.12	0.05	0.85	-0.27
RBC Global Bond Fund	0.94	0.05	0.85	-0.09
RBC Global Corporate Bond Fund	0.87	0.05	0.85	-0.02
RBC Global High Yield Fund	1.00	0.05	0.85	-0.15
BALANCED FUNDS				
RBC Balanced Fund	1.10	0.10	1.17	0.07
RBC Tax Managed Return Fund	0.79	0.05	0.80	0.01
RBC Balanced Growth Fund	1.16	0.10	1.17	0.01
CANADIAN EQUITY FUNDS				
RBC Canadian Dividend Fund	0.88	0.10	0.90	0.02
RBC Canadian Equity Fund	0.86	0.10	0.90	0.04
RBC O'Shaughnessy Canadian Equity Fund	0.92	0.10	0.90	-0.02
RBC O'Shaughnessy All-Canadian Equity Fund ⁴	–	0.10	0.90	–
RBC Canadian Diversified Income Trust Fund	1.14	0.10	0.90	-0.24
NORTH AMERICAN EQUITY FUNDS				
RBC North American Dividend Fund	1.01	0.10	0.90	-0.11
RBC North American Value Fund	0.96	0.10	0.90	-0.06
RBC North American Growth Fund	0.93	0.10	0.90	-0.03
U.S. EQUITY FUNDS				
RBC U.S. Equity Fund	0.92	0.10	0.90	-0.02
RBC U.S. Equity Currency Neutral Fund	1.15	0.10	0.90	-0.25
RBC O'Shaughnessy U.S. Value Fund	0.94	0.10	0.90	-0.04
RBC U.S. Mid-Cap Equity Fund	1.36	0.10	0.90	-0.46
RBC U.S. Mid-Cap Equity Currency Neutral Fund	1.50	0.10	0.90	-0.60
RBC O'Shaughnessy U.S. Growth Fund	0.95	0.10	0.90	-0.05
RBC Life Science and Technology Fund	1.45	0.10	0.90	-0.55

RBC Funds (Series F units)	2006 Actual MER %	New Fixed Administration Fee %	2006 Adjusted MER¹ %	Difference in MER %
INTERNATIONAL EQUITY FUNDS				
RBC International Equity Fund	0.92	0.15	0.96	0.04
RBC O'Shaughnessy International Equity Fund	1.10	0.15	1.06	-0.04
RBC European Equity Fund	1.01	0.15	0.96	-0.05
RBC Asian Equity Fund	1.23	0.15	0.96	-0.27
GLOBAL EQUITY FUNDS				
RBC Global Titans Fund	1.03	0.15	0.96	-0.07
RBC O'Shaughnessy Global Equity Fund ⁴	–	0.15	1.06	-
RBC Global Energy Fund	0.92	0.15	0.96	0.04
RBC Global Precious Metals Fund	0.92	0.15	0.96	0.04
RBC Global Consumer and Financials Fund	1.40	0.15	0.96	-0.44
RBC Global Health Sciences Fund	1.53	0.15	0.96	-0.57
RBC Global Resources Fund	1.10	0.15	0.96	-0.14
RBC Global Technology Fund	1.48	0.15	0.96	-0.52
DS FOCUS FUNDS AND DS GLOBAL PORTFOLIOS				
RBC DS Canadian Focus Fund	0.98	0.10	0.99	0.01
RBC DS North American Focus Fund	1.01	0.10	0.99	-0.02
RBC DS International Focus Fund	1.41	0.15	0.96	-0.45
RBC DS Balanced Global Portfolio ⁵	1.05	0.05	0.90	-0.15
RBC DS Growth Global Portfolio ⁵	1.09	0.05	0.95	-0.14
RBC DS All Equity Global Portfolio ⁵	1.19	0.05	1.02	-0.17

¹ The 2006 adjusted MER represents what the 2006 actual MER would have been had the new fixed administration fee been in effect throughout 2006.

² 2006 actual MER information is not available for this fund as it was launched March 7, 2007. The 2006 adjusted MER represents what the 2006 actual MER would have been had the new fixed administration fee been in effect and had the fund existed throughout 2006.

³ RBC AM absorbed a portion of the expenses, which reduced the MER by 0.10% in 2006, 0.21% in 2005, 0.28% in 2004, 0.26% in 2003, and 0.17% in 2002. The decision to absorb expenses is determined at the discretion of the manager and RBC AM may discontinue absorbing expenses at any time.

⁴ These funds were launched January 22, 2007 so there was no 2006 MER. The 2006 adjusted MER represents the sum of the fund's management fee, the new fixed administration fee, and GST.

⁵ Each Portfolio invests in a mix of underlying RBC Funds. As a result, the management fee for each Portfolio is based on the weighted average management fee of the underlying funds and may change over time. While the new fixed administration fee for each Portfolio will be set at a level that will be equal to or lower than their actual operating expense levels for 2006, the MERs may change due to changes in the mix of underlying funds.