

Client Account Protection

RBC Correspondent Services is a division of RBC Capital Markets Corporation (RBC CM). RBC CM takes pride in maintaining a financial environment that offers safety for your clients' account assets. When your client's account is maintained at RBC CM, their assets are protected in the following ways:

- By the Securities Investor Protection Corporation (SIPC);
- By an additional policy purchased from Lloyd's of London;
- By the capital and financial strength of RBC.

SIPC PROTECTION

One of the ways RBC CM protects clients' assets is through its membership in the Securities Investor Protection Corporation (SIPC).

SIPC is a non-profit membership corporation funded by its member securities broker-dealers. There are several levels of protection offered by SIPC. Principally, those levels are as follows:

First, in the event of the failure of a SIPC member and the loss or destruction of client cash or securities, clients receive a distribution of cash and securities equal in value to their pro rata share of all client assets on hand. This is a preferential distribution in which general creditors of the broker-dealer do not share.

Money required to protect clients beyond SIPC's basic coverage is also available from the property and possessions of a failed firm.

Second, in the event clients' claims are not fully satisfied by this distribution, SIPC protection (up to its limits) will be available to satisfy the remaining shortfall. SIPC protection currently covers up to \$500,000 per account (of which \$100,000 may be in cash). All client accounts that are similarly titled are combined for purposes of determining SIPC protection. Accounts with separate legal titles, however, are each protected separately. Thus, for example, a client's individual account, a joint tenants account with a spouse, and a custodial account for a minor child would each receive separate protection.

Shares of money market funds, such as Tamarack™ Funds, although often thought of by investors as cash, are, in fact, securities. When held by a SIPC member in a client's securities account, such fund shares are protected in the same manner as any other covered security.

EXCESS SIPC PROTECTION

Another way clients' assets are protected is through a supplemental policy RBC CM has purchased from Lloyd's of London that provides coverage in excess of SIPC. The policy covers additional securities and cash protection up to an aggregate of \$400 million limited to a combined return to any SIPC qualified account from a Trustee, SIPC, and the Lloyd's coverage of \$100 million (\$1 million of which may be in cash).



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The table below illustrates the levels of coverage provided.

Account Type	SIPC Coverage ⁺	Additional Coverage ⁼	Total Coverage
Securities	\$500,000	\$99,500,000	\$100,000,000
Cash	\$100,000	\$900,000	\$1,000,000

PROVIDING FINANCIAL STRENGTH

RBC CM's capital provides an extra measure of protection. Prior to SIPC and Excess SIPC coverage being called upon, RBC CM's capital would need to be exhausted.

CUSTODY AND SAFEKEEPING YOUR INVESTMENTS

In today's rapidly changing financial markets, you want the safety provided by a strong partner. RBC Correspondent Services provides the protection your clients need. We view the safety and security of their assets as our most important responsibility.

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