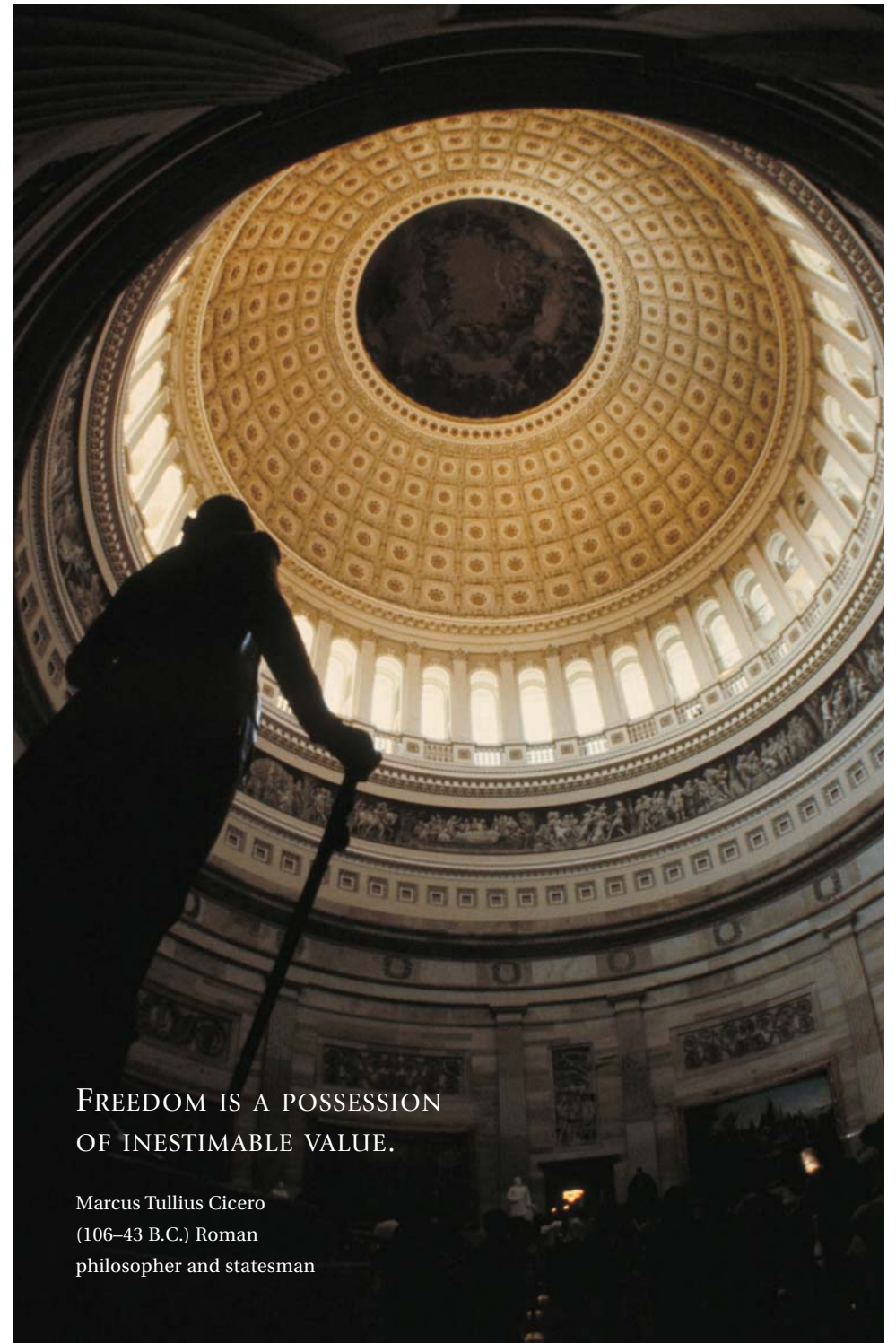
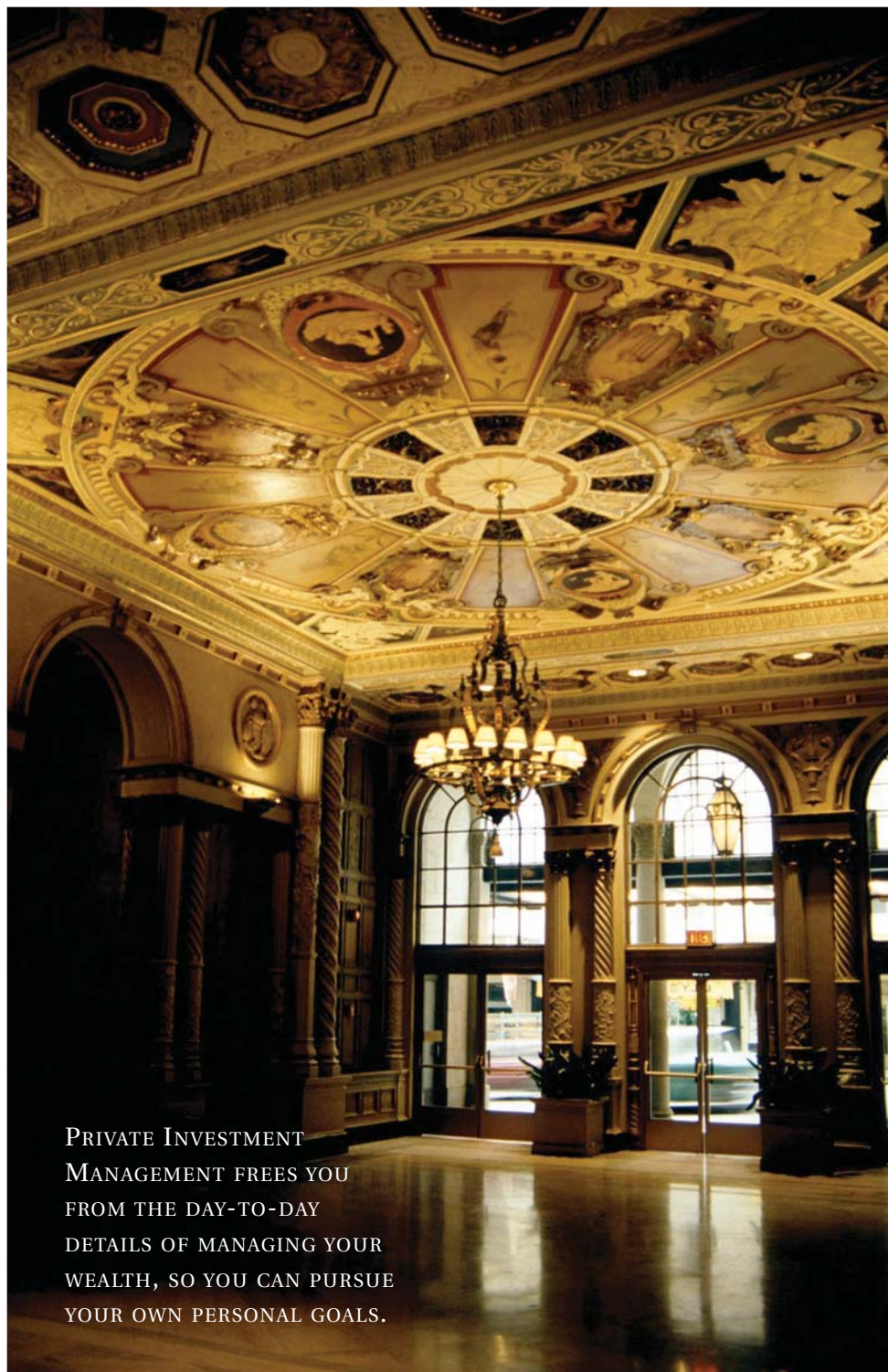


P R I V A T E
INVESTMENT
MANAGEMENT



FREEDOM IS A POSSESSION
OF INESTIMABLE VALUE.

Marcus Tullius Cicero
(106–43 B.C.) Roman
philosopher and statesman



PRIVATE INVESTMENT
MANAGEMENT FREES YOU
FROM THE DAY-TO-DAY
DETAILS OF MANAGING YOUR
WEALTH, SO YOU CAN PURSUE
YOUR OWN PERSONAL GOALS.

THE FREEDOM TO LIVE THE LIFE YOU WANT

You have your own dreams and ambitions in life. You might be building a successful career or business, pursuing your personal interests, or enjoying your retirement lifestyle.

As you pursue your goals, you may discover that you have less and less time to focus on important matters such as the management of your wealth. Indeed, as you enjoy greater success in life, your financial affairs will likely become more complex and demand more of your time.

Yet you have other interests and responsibilities that you would rather pursue. You need professional wealth management that enables you to focus on what's important to you. You need someone you can trust who will make important decisions on your behalf, and manage all aspects of your investment portfolio, while you get on with your life.

To help you delegate these important responsibilities with confidence, we are pleased to offer RBC Dominion Securities *Private Investment Management*. *Private Investment Management* is our premium level of discretionary wealth management, available exclusively to our private clients with portfolios exceeding \$500,000. It is designed to free you from the day-to-day details of managing your wealth, so you can pursue your own personal and professional goals.



YOUR PORTFOLIO IS BUILT FROM THE GROUND UP BASED ON FACTORS SUCH AS YOUR GROWTH REQUIREMENTS, INCOME NEEDS AND RISK TOLERANCE.

ACHIEVE YOUR GOALS WITH CONFIDENCE

With *Private Investment Management*, you can be confident that your portfolio will be managed according to the highest standards.

Private Investment Management offers you a completely customized portfolio, designed for you by your personal Portfolio Manager. Your individual portfolio is built from the ground up based on factors such as your growth requirements, income needs and risk tolerance. Furthermore, you hold segregated securities in your portfolio—providing you with greater flexibility in how your portfolio is structured.

Your Portfolio Manager will handle all the details on an ongoing basis, working within specific guidelines established in your Investment Policy Statement. Your Portfolio Manager is always accountable to these guidelines, which are reviewed at least annually and updated in consultation with you. In addition, an extensive team of professionals supports your Portfolio Manager with:

- *Investment strategy and research*
- *Recommendations on portfolio composition*
- *Reviews of your account*

DISCRETIONARY PORTFOLIO MANAGEMENT

Private Investment Management is a discretionary managed account where you delegate responsibility for day-to-day investment decisions to a personal Portfolio Manager. While discretionary management is widely available, discretionary management from a personal Portfolio Manager is relatively unique. The following table compares different types of discretionary accounts, ranging from pooled funds, where you own fund units, to segregated portfolios, where you directly own securities.

	Private Investment Management	Centralized Money Management	Pooled Funds
Fully accredited Portfolio Managers	Yes	Yes	Yes
Personal Portfolio Manager	Yes	No	No
Direct ownership of securities	Yes	Yes	No
Total flexibility of portfolio design	Yes	No	No

Your Portfolio Manager is able to take advantage of investment opportunities quickly and efficiently because your approval is not required for every single transaction. A careful process involving strict guidelines, checks and balances, and formal reviews ensures that your portfolio is managed to the highest standards of ethics and professionalism.



WITH *PRIVATE INVESTMENT MANAGEMENT*, YOU CAN SIT DOWN WITH YOUR PORTFOLIO MANAGER ONE-ON-ONE TO DISCUSS YOUR NEEDS.

A TRUSTED SOURCE FOR PERSONAL WEALTH MANAGEMENT

Private Investment Management gives you the time and freedom to pursue what's important to you, confident in the knowledge that your wealth is being managed by a professional you know and trust—your Portfolio Manager.

Most discretionary accounts offer portfolio management through a centralized source—usually an institutional investment management firm. While you enjoy a high level of money management, you don't have a personal relationship with your Portfolio Manager.

With *Private Investment Management*, you can sit down with your Portfolio Manager one-on-one to discuss your needs. It's this personal understanding that makes *Private Investment Management* unique.

It also gives you a greater degree of control compared to traditional discretionary accounts, where people you are unlikely to ever meet manage your wealth. Because you have a personal relationship with your Portfolio Manager, your portfolio can more accurately reflect your individual needs and goals on an ongoing basis.

THE HIGHEST CREDENTIALS AT YOUR SERVICE

Only a select group of our Investment Advisors are able to offer portfolio management services through *Private Investment Management*.

Before being registered as a Portfolio Manager or an Associate Portfolio Manager, an Investment Advisor must have extensive experience advising clients and substantial assets under administration.

Only by meeting these high standards, and completing rigorous coursework, can your Investment Advisor become an accredited Portfolio Manager or Associate Portfolio Manager. These are among the highest credentials an investment professional can achieve.

An Associate Portfolio Manager differs from a Portfolio Manager only in terms of years of experience and assets under management. Associate Portfolio Managers typically progress into Portfolio Managers after two years.



PRIVATE INVESTMENT
MANAGEMENT IS BUILT
ON A FOUNDATION OF
TRUST AND CONFIDENCE.

THE FRAMEWORK FOR SUCCESS

Private Investment Management is built on a foundation of trust and confidence. To ensure that we always act in your best interests, your Portfolio Manager follows a meticulous six-step process. This process balances your desire for freedom with your expectation for excellence.

1) CREATE YOUR INVESTMENT POLICY

The first step is to write down your Investment Policy Statement—the document that guides your Portfolio Manager in making appropriate investment decisions on your behalf.

Your Investment Policy Statement, created individually for you, takes into account your return expectations, income requirements, risk tolerance, time horizon and unique preferences. It also addresses your tax situation, in order to help your Portfolio Manager make investment decisions that minimize the impact of taxes.

Based on all these factors, your Portfolio Manager can recommend an ideal asset-allocation model for your portfolio. How your portfolio is divided among the three main asset classes—cash, fixed income and equities—is the most important factor in determining the balance between managing risk and providing higher returns.

Depending on your circumstances, a fourth asset class called alternative investments may also be included in your portfolio. Currently, this asset class deals primarily with the use of hedge funds to maximize portfolio diversification.

In addition, your portfolio may be diversified along geographic lines, and with a variety of individual securities in each asset class.

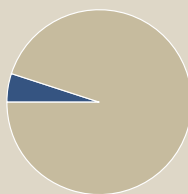
THE RIGHT ASSET MIX FOR YOUR LIFE STAGE

Your Portfolio Manager can adjust your asset allocation as you progress through your life stages. The balance between the asset classes will vary, depending on changing market conditions and your personal risk tolerance. The following asset-mix models serve as a starting point for your Portfolio Manager to determine your ideal asset mix. Depending on your specific asset levels and risk tolerance, alternative investments can also be included.

All Fixed Income

Exclusively focused on income

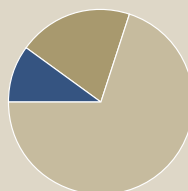
Cash 5%
Fixed Income 95%
Equities 0%



Income

Designed for investors with large income needs

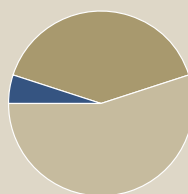
Cash 10%
Fixed Income 70%
Equities 20%



Income/Growth

Large income component with a growth component for capital appreciation over longer investment horizons

Cash 5%
Fixed Income 55%
Equities 40%



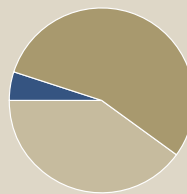
Legend

Cash Fixed Income Equities

Balanced

Provides growth while managing risk

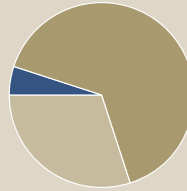
Cash 5%
Fixed Income 40%
Equities 55%



Balanced/Growth

Balanced with an emphasis on growth

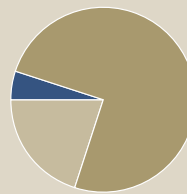
Cash 5%
Fixed Income 30%
Equities 65%



Growth

Primary focus on growth over the long term

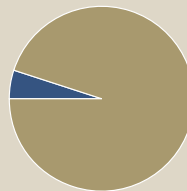
Cash 5%
Fixed Income 20%
Equities 75%



All Equity Growth

Little or no income needs

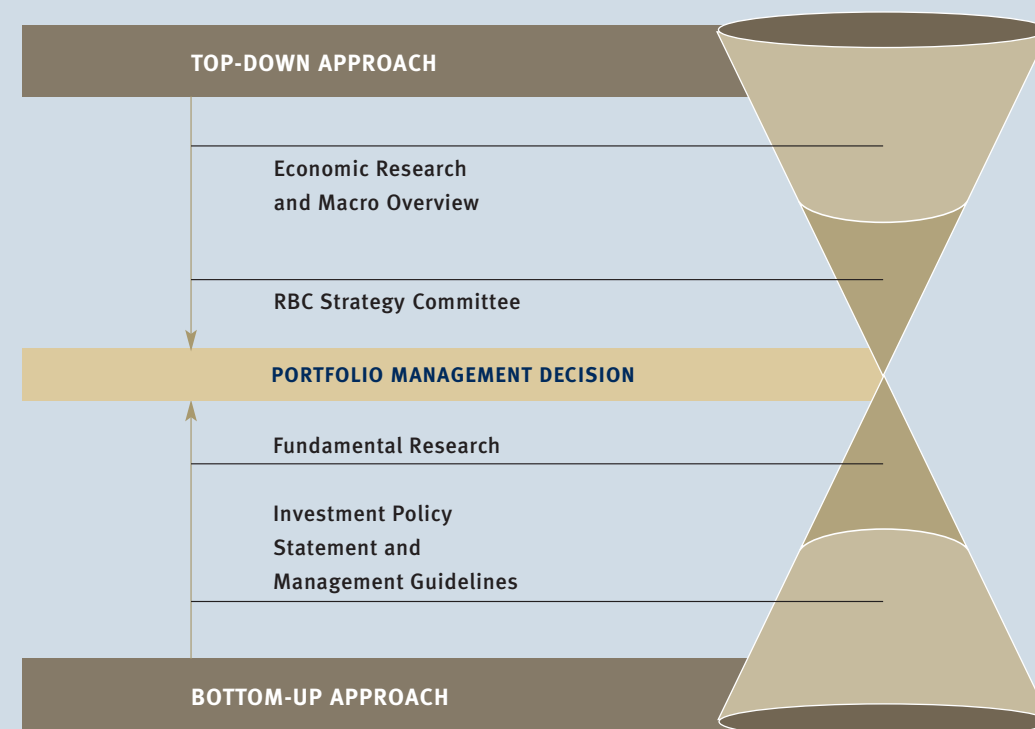
Cash 5%
Fixed Income 0%
Equities 95%



2) BUILD YOUR PORTFOLIO

Based on your ideal asset-allocation model, your Portfolio Manager will select an appropriate combination of investments for your portfolio. Virtually every type of investment is available to help you meet your needs.

In selecting your investments, your Portfolio Manager combines an understanding of the “big picture”—overall global economic and market trends—with fundamental research of individual investment opportunities. Senior economists, portfolio strategists and research analysts from various parts of RBC Financial Group augment your Portfolio Manager’s insights in these key areas.



3) MANAGE YOUR PORTFOLIO

Market and economic conditions change. Your personal situation and goals will also change. As a result, it is essential to make appropriate adjustments to your portfolio.

Your Portfolio Manager will make day-to-day investment decisions on your behalf to respond to and anticipate the changing market and economic landscape. If the outlook for a certain sector of the economy brightens, your Portfolio Manager may increase your holdings in that sector. Similarly, if the outlook for a certain region of the world improves, your portfolio will be adjusted accordingly within the guidelines established in your Investment Policy Statement.

In making these decisions, your Portfolio Manager is supported by a formidable array of resources:

- **RBC Investments Strategy Committee** comprised of our senior economists, strategists and analysts, makes quarterly recommendations for portfolio structure based on a well-considered outlook for the future direction of global markets and economies.
- **RBC Capital Markets Research Department**, with over 40 research analysts, provides fundamental, quantitative and technical research on individual companies and sectors.
- **RBC Investments Portfolio Advisory Group** offers your Portfolio Manager day-to-day advice on portfolio structure and composition.
- **RBC Investments Fixed Income Advisory Group** provides access to Canada's largest inventory of fixed-income investments, including bonds and money-market instruments.
- **RBC Investments Financial Advisory Solutions Team**, through your Portfolio Manager, assists with your tax, estate, and financial-planning needs.

4) THIRD-PARTY REVIEW AND MONITORING

Your portfolio will also be reviewed quarterly by our *Private Investment Management* Risk Management Group to ensure it is managed according to the terms of your Investment Policy Statement. The *Private Investment Management* Risk Management Group also reviews your portfolio based on a second set of guidelines that overlay the entire program. These guidelines are in place to ensure that all *Private Investment Management* clients hold quality investments and a suitable asset mix for their situation.

INVESTMENT MANAGEMENT PARAMETERS

Your Portfolio Manager makes day-to-day investment decisions within the guidelines set in your Investment Policy Statement. Additional guidelines are in place to ensure the high level of investment management you expect:

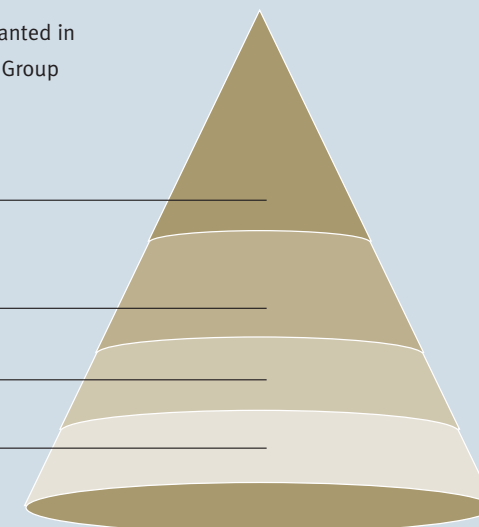
- Clear portfolio focus (Canadian, North American or global)
- Diversification standards for your overall portfolio and each asset class
- Minimum liquidity requirements for all equities
- Fixed-income maturities staggered to mitigate the impact of fluctuating interest rates
- High-quality fixed-income investments
- Minimum credit rating for bonds
- Active fixed-income management when warranted in consultation with the Fixed Income Advisory Group

Client Portfolio

Risk Management Monitor

Investment Policy Statement

Investment Management Guidelines





THROUGH YOUR PORTFOLIO
MANAGER, YOU HAVE ACCESS
TO COMPREHENSIVE WEALTH
MANAGEMENT SOLUTIONS
DESIGNED AROUND YOU.

5) ADJUSTING YOUR INVESTMENT STRATEGY

Your Portfolio Manager will also meet with you on a regular basis to review your portfolio and get an update on your personal and financial situation. Your goals are likely to change over time, and your portfolio needs to reflect that.

6) KEEPING YOU INFORMED OF YOUR PROGRESS

You will receive a monthly account statement that details the activity in your portfolio and provides the current market value of all your positions. In addition, you can receive a quarterly rate-of-return calculation. You also have access to your accounts and timely market information through our online services.

THE GLOBAL RESOURCES OF RBC INVESTMENTS

Through *Private Investment Management*, you have access to all the resources offered by the member companies under RBC Investments.

For over a century, private investors have turned to us to help them achieve their financial goals. Today, our advisors are entrusted with \$430 billion in assets by over one million clients across Canada and worldwide.

Through your Portfolio Manager, you have access to comprehensive wealth management solutions designed around you. We offer all the services you need to achieve your financial goals, including portfolio management, investment advice, financial planning, trust and executor services, insurance† and private banking.

TAKE THE NEXT STEP TO PRIVATE INVESTMENT MANAGEMENT

If you desire the freedom to pursue your interests, while knowing that your portfolio is in the care of trusted professionals, we invite you to consider *Private Investment Management*.

Private Investment Management is specifically designed for individuals who prefer to delegate day-to-day investment decisions, and expect the highest level of wealth management. It also offers you the services of a personal Portfolio Manager or Associate Portfolio Manager.

For more information about *Private Investment Management*, please consult with your Portfolio Manager.

RBC Dominion Securities Inc. and Royal Bank of Canada are separate corporate entities which are affiliated. Investment Advisors, Portfolio Managers and Associate Portfolio Managers are employees of RBC Dominion Securities Inc. *Member CIPE*

Insurance products are offered through RBC DS Financial Services Inc., a subsidiary of RBC Dominion Securities Inc. When providing life insurance products, Investment Advisors are acting as Insurance Representatives or in Quebec Financial Securities Advisors of RBC DS Financial Services Inc. RBC DS Financial Services Inc. is licensed as a financial services firm in the province of Quebec.

Interest rates, market conditions, tax rules, and other investment factors are subject to change. Unless otherwise indicated, securities purchased from or through RBC Dominion Securities Inc. are not insured by a government deposit insurer, or guaranteed by Royal Bank of Canada, Royal Trust Corporation of Canada or The Royal Trust Company and may fluctuate in value.

Using borrowed money to finance the purchase of securities, involves greater risk than a purchase using cash resources only. Should you borrow money to purchase securities, your responsibility to repay the loan as required by its terms remains the same even if the value of the securities purchased declines.

**Registered trademark of Royal Bank of Canada. RBC Investments is a registered trademark of Royal Bank of Canada. Used under licence. ©Copyright 2004. All rights reserved. Printed in Canada 01/05. Code: PIM*