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CIRCULAR March 10, 2006

FINAL CONTRACT ADJUSTMENT

Royal Bank of Canada (RY) Stock dividend

THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF CERTAIN TERMS OF THE AFOREMENTIONED ADJUSTMENT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY.

The Bourse and CDCC wish to inform you that Royal Bank of Canada (RBC) announced on March 3, 2006 that its Board of Directors has declared a stock dividend, which has the same effect as a two-for-one split of its common shares.

Each shareholder will receive one additional common share of RBC for each common share held. Share certificates representing the additional common share will be mailed starting April 6, 2006 to shareholders of record at the close of business on March 27, 2006.

Stock split - adjustment details:

EX-DATE: March 23, 2006

➤ RECORD DATE: March 27, 2006

> PAYABLE DATE: April 6, 2006

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CDCC - adjustment details:

Pursuant to Terms of Adjustment provided in Section A-902 of the Rules of CDCC, all RBC options will be adjusted as follows:

> EFFECTIVE DATE: March 23, 2006

> OPTION SYMBOLS: RY, VRY, LRY

RYX, VYX, LRX**

> NUMBER OF CONTRACTS: Doubled

NEW DELIVERABLE PER 100 RBC common shares

CONTRACT:

> STRIKE PRICES: An adjustment will be made for all existing series

> MULTIPLIER: 100

> POSITION AND EXERCISE Effective March 23, 2006, Position and Exercise Limits will

LIMITS: be unchanged at 75,000 contracts

> CUSIP: 780087102

CDCC will not adjust any outstanding escrow receipts. Members who want to maintain margin relief for their entire position will be required to deposit additional escrow receipts.

The Bourse - adjustment details:

It is important to note that <u>on the effective date</u>, all open orders on these options classes <u>will not be</u> <u>modified</u> to reflect the stock split and will have to <u>be registered again</u> into the Montreal Automated System (SAM) by the approved participants.

At the opening of business on March 23, 2006 the Bourse will adjust the Strike Prices for RBC series as indicated below:

^{**}Due to lack of strike price alpha codes to identify each series, the Bourse and CDCC will create these new symbols.

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Royal Bank of Canada				
Symbol	Actual Strike Prices	New Strike Prices	Strike Price Codes	Adjusted Symbol
RY	\$ 72.00	\$ 36.00	0	RYX
RY	\$ 74.00	\$ 37.00	Q	RYX
RY	\$ 76.00	\$ 38.00	S	RYX
RY	\$ 78.00	\$ 39.00	U	RYX
RY	\$ 80.00	\$ 40.00	Н	RYX
RY	\$ 82.00	\$ 41.00	W	RYX
RY	\$ 84.00	\$ 42.00	Y	RYX
RY	\$ 85.00	\$ 42.50	V	RYX
RY	\$ 86.00	\$ 43.00	F	RYX
RY	\$ 88.00	\$ 44.00	K	RYX
RY	\$ 90.00	\$ 45.00	M	RYX
RY	\$ 92.00	\$ 46.00	N	RYX
RY	\$ 94.00	\$ 47.00	L	RY
RY	\$ 96.00	\$ 48.00	Q	RY
RY	\$ 98.00	\$ 49.00	Н	RY
RY	\$ 100.00	\$ 50.00	J	RY
RY	\$ 104.00	\$ 52.00	V	RY
RY	\$ 108.00	\$ 54.00	K	RY

The Bourse will also adjust the Strike Prices for long term RBC series as indicated below:

Royal Bank of Canada Long-Term Equity Options 2007				
Symbol	Actual Strike Prices	New Strike Prices	Strike Price Codes	Adjusted Symbol
VRY	\$ 54.00	\$ 27.00	A	VYX
VRY	\$ 56.00	\$ 28.00	В	VYX
VRY	\$ 58.00	\$ 29.00	С	VYX
VRY	\$ 60.00	\$ 30.00	F	VYX
VRY	\$ 62.00	\$ 31.00	Y	VYX
VRY	\$ 64.00	\$ 32.00	J	VYX
VRY	\$ 66.00	\$ 33.00	K	VYX
VRY	\$ 68.00	\$ 34.00	M	VYX
VRY	\$ 70.00	\$ 35.00	G	VYX
VRY	\$ 72.00	\$ 36.00	0	VYX
VRY	\$ 74.00	\$ 37.00	Q	VYX
VRY	\$ 76.00	\$ 38.00	S	VYX
VRY	\$ 78.00	\$ 39.00	U	VYX
VRY	\$ 80.00	\$ 40.00	Н	VRY
VRY	\$ 85.00	\$ 42.50	V	VRY
VRY	\$ 90.00	\$ 45.00	M	VRY
VRY	\$ 95.00	\$ 47.50	N	VRY
VRY	\$ 100.00	\$ 50.00	J	VRY
VRY	\$ 110.00	\$ 55.00	K	VRY

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Royal Bank of Canada Long-Term Equity Options 2008					
Symbol	Actual Strike Prices	New Strike Prices	Strike Price Codes	Adjusted Symbol	
LRY	\$ 60.00	\$ 30.00	F	LRX	
LRY	\$ 70.00	\$ 35.00	G	LRX	
LRY	\$ 72.00	\$ 36.00	0	LRX	
LRY	\$ 74.00	\$ 37.00	Q	LRX	
LRY	\$ 76.00	\$ 38.00	S	LRX	
LRY	\$ 78.00	\$ 39.00	G	LRX	
LRY	\$ 80.00	\$ 40.00	Н	LRX	
LRY	\$ 85.00	\$ 42.50	V	LRX	
LRY	\$ 90.00	\$ 45.00	M	LRY	
LRY	\$ 95.00	\$ 47.50	N	LRY	
LRY	\$ 100.00	\$ 50.00	J	LRY	
LRY	\$ 110.00	\$ 55.00	K	LRY	

Strike prices are subject to change, depending on the underlying value closing price on Tuesday , March 22, 2006.

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS CLASS ARE ADVISED OF THIS NOTICE.

For further information, please contact Richard Bourbonnière, Vice-President, Market Operations, Bourse de Montréal Inc. at (514) 871-3548 or CDCC's Operations Department.

Joëlle Saint-Arnault Vice-President, Legal Affairs and Secretary