

**FEATURES AND BENEFITS OF RBC INSURANCE'S
ACQUISITION OF PRUCAN'S INDIVIDUAL
LIFE INSURANCE AND ANNUITY BUSINESS
AND 15% OF PPI PARTNERS
ANNOUNCED JAN. 31, 2000**

FEATURES

- . RBC Insurance to assume responsibility for about 17,000 PruCan life insurance policies and annuities in Canada.**
- . Premiums of about \$130 million in 1999.**
- . PPI Partners distributes insurance and wealth management products to high net worth individuals through 1300 associates and is sole distribution channel for PruCan's products. Principals to hold other 85% of firm.**
- . Agreement expected to close by end of February 2000.**

BENEFITS

- . Predominantly high net worth clients – average annual premium of over \$17,000 on new business versus industry average of about \$1,000.**
- . Excellent fit with bank's wealth management focus.**

- . **Takes RBC Insurance to 7th largest from 11th largest in new individual life insurance premiums. Expect \$25 million of new premiums per year.**

- . **Increases RBC Insurance's annual premiums by 15% to over \$1 billion.**

- . **Revenue synergies**
 - . **PruCan's high net worth clients could be sold other wealth management products.**

 - . **Acquiring additional underwriting expertise to issue complex policies for the highly affluent client market.**

- . **Cost synergies**
 - . **adds critical mass and opportunity for cost synergies with RBC Insurance's existing life insurance operations.**