



**RBC
Insurance**

**MAXIM™, MENTOR®, MAXIVU AND MAXINVEST
SEGREGATED FUNDS**

**FINANCIAL STATEMENTS
and
SUMMARY FACT STATEMENTS
As of December 31, 2006**

**RBC Life Insurance Company
6880 Financial Drive, West Tower
Mississauga, Ontario
L5N 7Y5**

STATEMENTS AND SCHEDULES

The following statements and schedules reflect past performance of the Funds and should not be construed as indicators of future performance. The Fund values are shown net of any charges. The only charges made to the Funds were management fees, custodian fees, audit charges, interest and bank charges.

Note:

- **All returns assume all income/gains are retained and reflected in higher unit values.**
- **Returns do not take into account sales, redemptions, distribution or other optional charges or income taxes payable that would have reduced returns.**

Subject to any applicable death and maturity guarantee, any part of the premium or other amount that is allocated to a segregated fund is invested at the risk of the contract holder and may increase or decrease in value according to fluctuations in the market value of the assets in the segregated fund.

Semi-annual unaudited statements effective as of June 30th will be available to Policyholders upon request.

UBS Global Asset Management (Canada) Co are the professional investment managers for the Maxim, Mentor, Maxinvest and MaxiVu segregated funds. Financial statements and annual reports for the UBS Global Asset Management (Canada) Co. funds are available upon request.

A fund's portfolio turnover rate indicates how actively the fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. If the segregated fund is a fund-of-funds, the portfolio turnover rate shall be provided for the underlying fund(s).

EQUITY GROWTH FUND
SUMMARY FACT STATEMENT
DECEMBER 31, 2006

INVESTMENT OBJECTIVE

The principal investment objective of the Equity Growth Fund will be long-term accumulation of capital through appreciation and reinvestment of net income.

INVESTMENT POLICY

The Equity Growth Fund is invested in units of the UBS (Canada) Canadian Equity Fund managed by UBS Global Asset Management (Canada) Co.

INVESTMENT RETURN HISTORY

	1 Year	3 Year	5 Year	10 Year
Equity Growth Fund	17.69 %	16.70 %	10.20 %	6.96 %

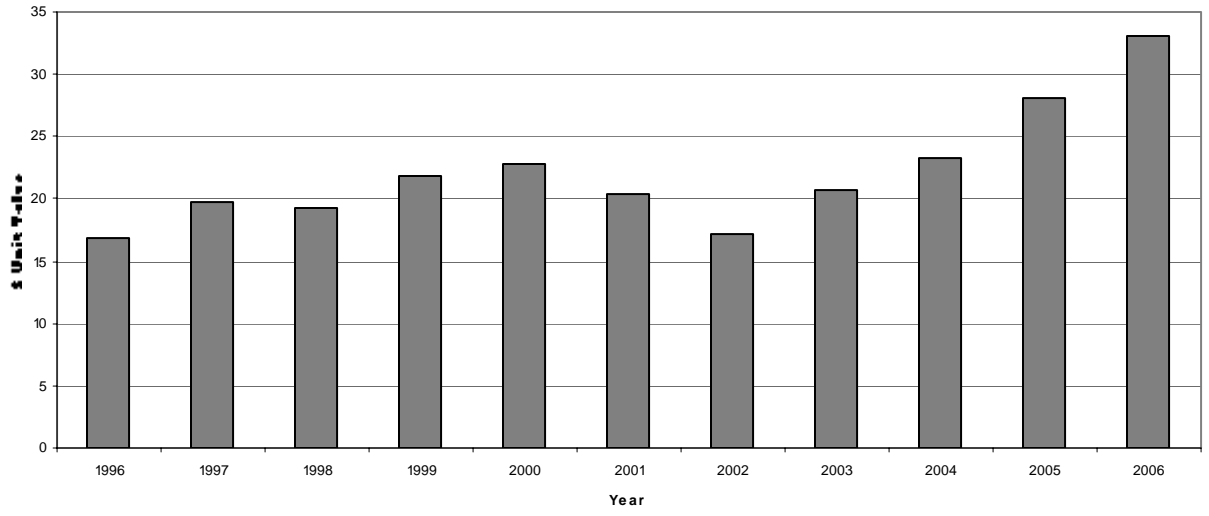
Management Expense Ratio: 2.375%

PORTFOLIO TURNOVER RATE: 21 %

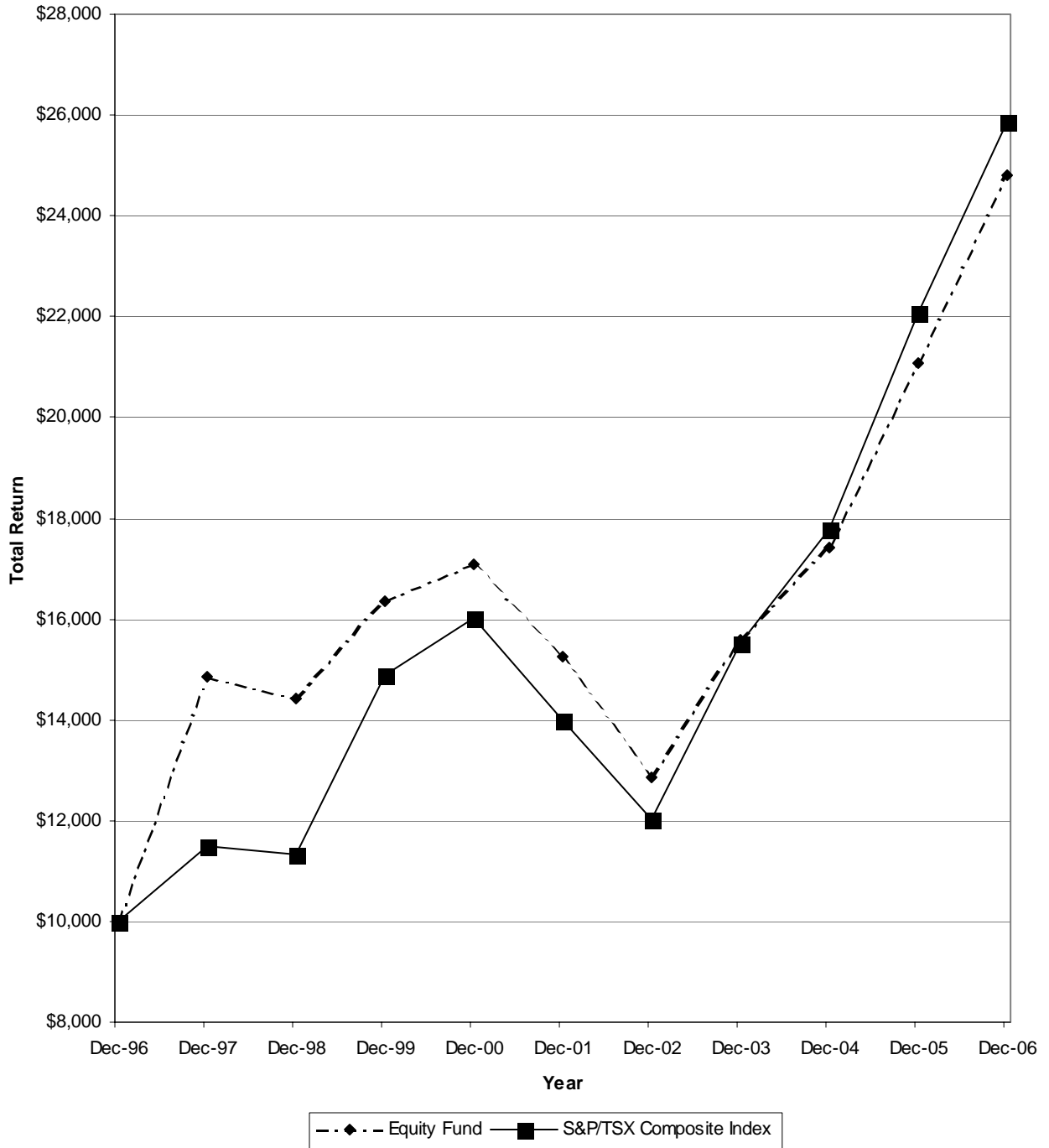
The 25 largest holdings in the UBS (Canada) Canadian Equity Fund were:

Security	% of Portfolio
Royal Bank CDA Common	6.4%
Manulife Financial Corp	6.1%
Toronto Dominion BK Common	6.1%
EnCana Corporation Common	4.5%
Goldcorp Inc Common	3.7%
Bank of Nova Scotia Common	3.6%
Suncor Energy Inc Common	3.6%
BCE Inc Common	3.1%
Rogers Communication Class B Non Voting	2.9%
Petro-Canada Common	2.8%
Talisman Energy Inc Common	2.6%
Power Financial Corp Common	2.5%
CDN Imp Bank Commerce Common	2.5%
Transcanada Corp Common	2.5%
Research In Motion Common	2.2%
CDN Natl Railway Common	2.0%
Alcan Inc Common	2.0%
Cameco Corp Common	2.0%
Sun Life Fincl Inc Common	2.0%
Telus Corp Non Voting	2.0%
Husky Energy Inc Common	1.9%
Teck Cominco Ltd Class B Sub Voting	1.8%
Agrium Inc Common	1.8%
Brookfield Asset Mgt Class A Ltd Voting	1.6%
Shoppers Drug Mart Common	1.6%

10 Year Equity Fund Returns



Equity Fund Comparison to S&P/TSX Composite Index



Comparison of \$10,000 invested in the Equity Growth Fund versus the S&P/TSX Composite Total Return Index. Comparison figures quoted are as at the last day of market trading of each year.

THE BOND FUND
SUMMARY FACT STATEMENT
DECEMBER 31, 2006

INVESTMENT OBJECTIVE

The investment objective of the Bond Fund is to achieve high current income and to preserve capital.

INVESTMENT POLICY

The Bond Fund is invested in units of the UBS (Canada) Bond Fund managed by UBS Global Asset Management (Canada) Co.

INVESTMENT RETURN HISTORY

	1 Year	3 Year	5 Year	10 Year
Bond Fund	2.14 %	3.66 %	4.48 %	4.58 %

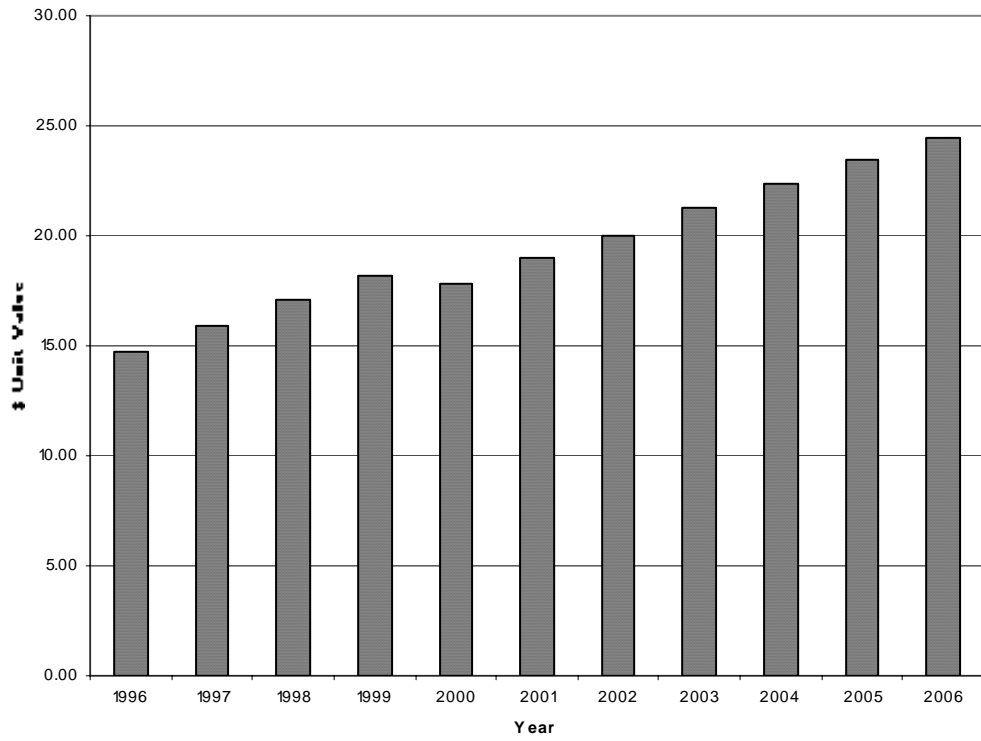
Management Expense Ratio: 2.00 %

PORTFOLIO TURNOVER RATE: 100 %

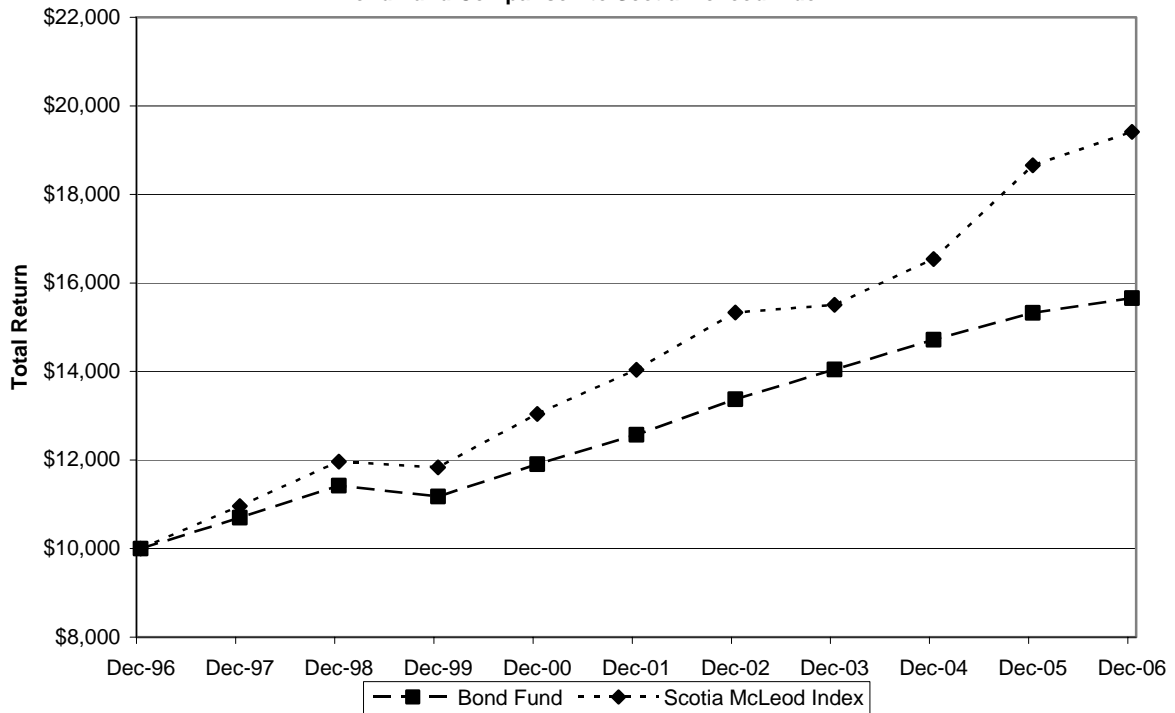
The 25 largest holdings in the UBS (Canada) Bond Fund were:

Category	Maturity	Interest Rate	% of Portfolio
Canada Housing Trust	SEP 15/10	3.550	4.7%
Farm Credit Corp	OCT 05/20	4.300	4.3%
Quebec Prov	OCT 01/13	5.250	4.1%
Farm Credit Corp	DEC 01/15	4.150	3.8%
Canada Govt	JUN 01/29	5.750	3.7%
Canada Housing Trust	SEP 15/11	4.600	3.2%
Canada Housing Trust	MAR 15/11	4.050	3.0 %
Canada Housing Trust	SEP 15/07	5.100	2.6%
Export Dev Canada	DEC 03/12	5.800	2.4%
Canada Housing Trust	DEC 15/08	4.100	2.1%
Canada Housing Trust	SEP 15/09	4.650	1.7%
Canada Govt	JUN 01/33	5.750	1.7%
Farm Credit Corp	APR 12/21	4.550	1.4%
Hydro Quebec	FEB 15/40	6.000	1.3%
Ontario School Brds	SEP 22/10	6.300	1.2%
Newfoundland Prov	OCT 17/33	5.600	1.2%
Ontario Prov Pckg Ex	DEC 02/18	5.500	1.2%
Ontario Province	MAR 08/33	5.850	1.2%
Quebec Prov	DEC 01/15	5.000	1.2%
Ontario Prov	JUN 02/35	5.600	1.0%
GE Capital	APR 23/08	5.000	1.0%
Quebec Prov	DEC 01/16	4.500	1.0%
Cap Desjar F/F 09/14	MAR /09/14	3.887	1.0%
Royal BK CDA DPN	JUL 06/11	4.920	1.0%
BC Muni Finance	APR 19/16	4.650	1.0%

10 Year Bond Fund Returns



Bond Fund Comparison to Scotia McLeod Index



Comparison of \$10,000 invested in the Bond Fund versus the Scotia McLeod Index. Comparison figures quoted are as at the last day of market trading of each year.

**THE BALANCED FUND
SUMMARY FACT STATEMENT**

DECEMBER 31, 2006

INVESTMENT OBJECTIVE

The investment objective of the Balanced Fund is to achieve the highest long-term rate of return possible that is consistent with a prudent investment philosophy and the preservation of capital in real terms.

INVESTMENT POLICY

The assets of the Balanced Fund will be invested in a combination of the UBS (Canada) Canadian Equity Fund, the UBS (Canada) Bond Fund and the UBS (Canada) Money Market Fund.

The composition by asset class of the Balanced Fund will fall within the following ranges:

Money Market Fund	0% - 25%
Canadian Equity	25% - 75%
Bond Fund	25% - 75%

INVESTMENT RETURN HISTORY

	1 Year	3 Year	5 Year	10 Year
Balanced Fund	11.05 %	11.11 %	8.01 %	6.08 %

Management Expense Ratio: 2.375 %

PORTFOLIO TURNOVER RATE FOR THE BALANCED FUND: 100 %

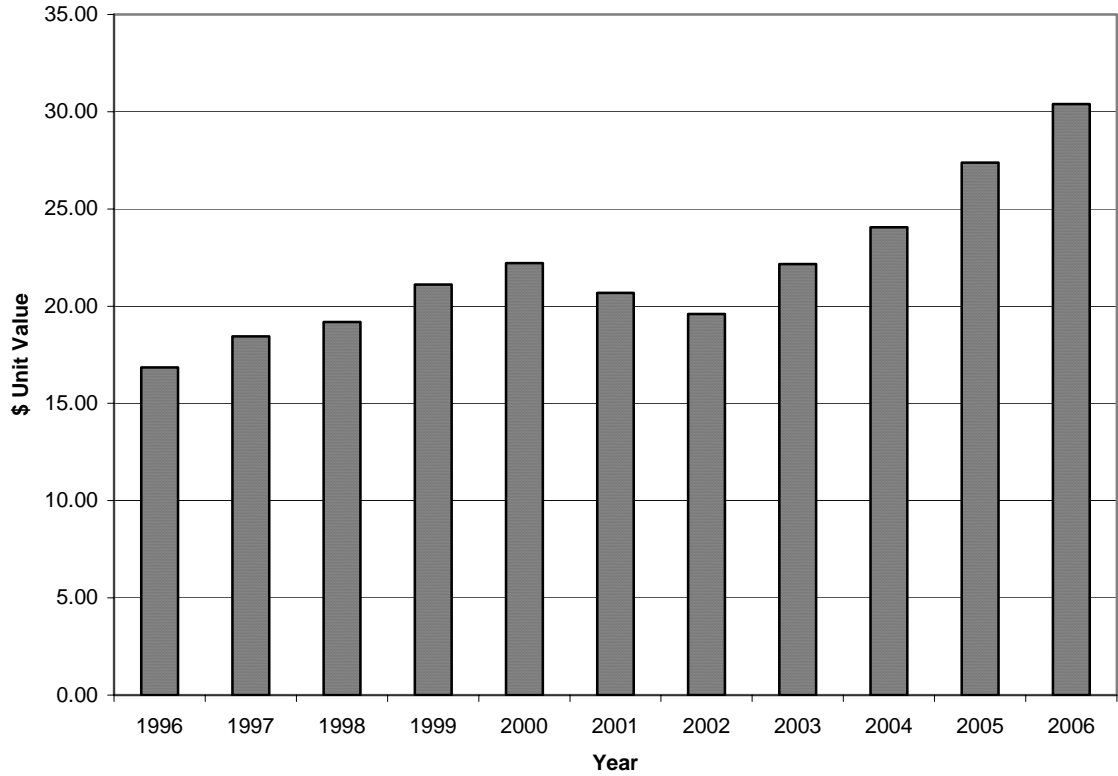
5 Largest Holdings in the UBS (Canada) Canadian Equity Fund were:

Security	% of Portfolio
Royal Bank CDA Common	6.4%
Manulife Fincl Corp Common	6.1%
Toronto Dominion Bk Common	6.1%
EnCana Corporation Common	4.5%
Goldcorp Inc Common	3.7%

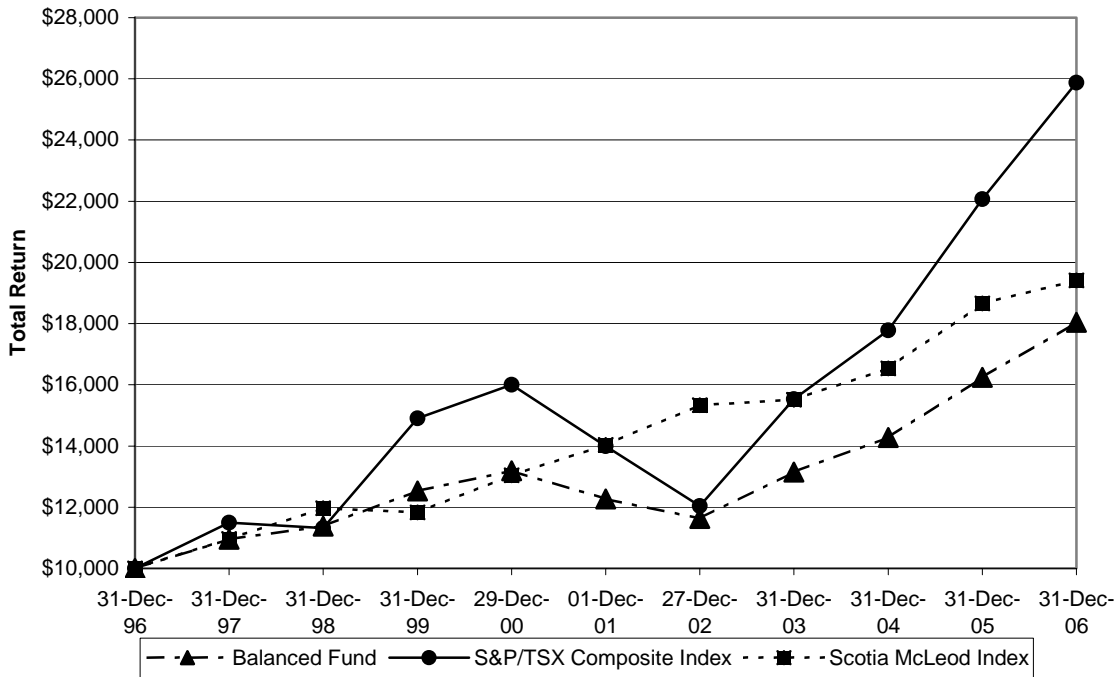
5 Largest Holdings in the UBS (Canada) Bond Fund were:

Category	Maturity	Interest Rate	% of Portfolio
CANADA HOUSING TRUST	SEP 15/10	3.550	4.7
FARM CREDIT CORP	OCT 05/20	4.300	4.3
QUEBEC PROV	OCT 01/13	5.250	4.1
FARM CREDIT CORP	DEC 01/15	4.150	3.8
CANADA GOVT	JUN 01/29	5.750	3.7

10 Year Balanced Fund Returns



Balanced Fund Comparison to S&P/TSX Composite Index and Scotia McLeod Index



Comparison of \$10,000 invested in the Balanced Fund versus the S&P/TSX Composite Total Return Index and the Scotia McLeod Index. Comparison figures quoted are as at the last day of market trading of each year.

AUDITOR

The statements of net assets of RBC Life Insurance Company Funds were audited by Deloitte & Touche LLP, BCE Place 181 Bay Street, Suite 1400 Toronto, Ontario M5J 2V1.

AUDITORS' REPORT

To the Unit Holders of

RBC Life Equity Growth Fund ("Equity Growth")

RBC Life Bond Fund ("Bond")

RBC Life Balanced Fund ("Balanced")

(collectively referred to as RBC Life Insurance Company Funds or the Funds)

We have audited the statements of net assets of RBC Life Insurance Company Funds as at December 31, 2006 and the statements of operations and of changes in net assets of the Funds for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets of each of the Funds as at December 31, 2006 and the results of their operations and changes in their net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

February 14, 2007

Toronto, Canada

Member of
Deloitte Touche Tohmatsu

RBC LIFE Insurance Company funds
FINANCIAL STATEMENTS
December 31, 2006

Equity Growth Fund

Statement of Operations

	Year ended December 31	
	2006	2005
Income		
Distribution from underlying funds	\$ 905,948	\$ 1,345,946
Realized gains on sale of investments	1,044,733	16,814,090
Increase (decrease) in unrealized appreciation of investments	7,237,220	(8,336,189)
	9,187,901	9,823,847
Expenses		
Management fees	1,223,327	1,158,056
Bank charges and interest	4,871	4,264
Audit	4,191	4,191
	1,232,389	1,166,511
Net Income	\$ 7,955,512	\$ 8,657,336
Net income per unit	\$ 5.18	\$ 5.04

Statement of Net Assets

	As at December 31	
	2006	2005
Assets		
Investments in underlying funds at market value	\$ 50,869,880	\$ 48,196,464
Due from RBC Life Insurance Company	-	271
	50,869,880	48,196,735
Liabilities		
Bank indebtedness	132,243	-
Due to RBC Life Insurance Company	24,644	-
	156,887	-
Unitholders' equity	\$ 50,712,993	\$ 48,196,735
Net asset value per unit	\$ 33.02	\$ 28.06

Statement of Changes in Net Assets

	Year ended December 31	
	2006	2005
Net assets, beginning of the year	\$ 48,196,735	\$ 44,538,655
Premium deposits	3,759,446	4,620,527
Net income	7,955,512	8,657,336
	59,911,693	57,816,518
Less		
Withdrawals	9,198,700	9,619,783
	9,198,700	9,619,783
Net Assets, end of the year	\$ 50,712,993	\$ 48,196,735
Number of units outstanding	1,535,877	1,717,914

RBC LIFE Insurance Company funds
FINANCIAL STATEMENTS
December 31, 2006

Bond Fund

Statement of Operations

	Year ended December 31	
	2006	2005
Income		
Distribution from underlying funds	\$ 280,102	\$ 313,663
Realized gains on sale of investments	22,801	37,805
Increase (decrease) in unrealized appreciation of investments	(55,291)	29,657
	<u>247,612</u>	<u>381,125</u>
Expenses		
Management fees	124,625	132,100
Bank charges and interest	1,028	1,206
Audit	748	748
	<u>126,401</u>	<u>134,054</u>
Net Income	<u>\$ 121,211</u>	<u>\$ 247,071</u>
Net income per unit	<u>\$ 0.52</u>	<u>\$ 1.00</u>

Statement of Net Assets

	As at December 31	
	2006	2005
Assets		
Investments in underlying funds at market value	\$ 5,794,109	\$ 6,015,085
Due from RBC Life Insurance Company	-	528
	<u>5,794,109</u>	<u>6,015,613</u>
Liabilities		
Bank indebtedness	3,780	-
Due to RBC Life Insurance Company	2,419	-
	<u>6,199</u>	<u>-</u>
Unitholders' equity	<u>\$ 5,787,910</u>	<u>\$ 6,015,613</u>
Net asset value per unit	<u>\$ 24.94</u>	<u>\$ 24.41</u>

Statement of Changes in Net Assets

	Year ended December 31	
	2006	2005
Net assets, beginning of the year	\$ 6,015,613	\$ 6,293,815
Premium deposits	659,419	664,686
Net income	121,211	247,071
	<u>6,796,243</u>	<u>7,205,572</u>
Less		
Withdrawals	1,008,333	1,189,959
	<u>1,008,333</u>	<u>1,189,959</u>
Net Assets, end of the year	<u>\$ 5,787,910</u>	<u>\$ 6,015,613</u>
Number of units outstanding	<u>232,108</u>	<u>246,404</u>

RBC LIFE Insurance COMPANY funds
FINANCIAL STATEMENTS
December 31, 2006

Balanced Fund

Statement of Operations

	Year ended December 31	
	2006	2005
Income		
Distribution from underlying funds	\$ 541,938	\$ 667,098
Realized gains on sale of investments	270,317	4,293,353
Increase (decrease) in unrealized appreciation of investments	1,543,454	(2,118,949)
	2,355,709	2,841,502
Expenses		
Management fees	455,791	467,137
Bank charges and interest	2,825	2,780
Audit	2,297	2,297
	460,913	472,214
Net Income	\$ 1,894,796	\$ 2,369,288
Net income per unit	\$ 3.15	\$ 3.50

Statement of Net Assets

	As at December 31	
	2006	2005
Assets		
Investments in underlying funds at market value	\$ 18,329,578	\$ 18,452,261
Cash and term deposits	-	67,390
Due from RBC Life Insurance Company	-	22,512
	18,329,578	18,542,163
Liabilities		
Bank indebtedness	48,053	-
Due to RBC Life Insurance Company	8,894	-
	56,947	-
Unitholders' equity	\$ 18,272,631	\$ 18,542,163
Net asset value per unit	\$ 30.40	\$ 27.38

Statement of Changes in Net Assets

	Year ended December 31	
	2006	2005
Net assets, beginning of the year	\$ 18,542,163	\$ 18,695,282
Premium deposits	1,762,196	2,039,231
Net income	1,894,796	2,369,288
	22,199,155	23,103,801
Less		
Withdrawals	3,926,524	4,561,638
	3,926,524	4,561,638
Net Assets, end of the year	\$ 18,272,631	\$ 18,542,163
Number of units outstanding	601,037	677,281

LIFE INSURANCE RBC COMPANY FUNDS

Notes to the Financial Statements

December 31, 2006

1. THE FUNDS

The Funds are segregated funds, originally established by a predecessor company, Canadian General Life Insurance Company and are no longer marketed by RBC Life Insurance Company.

RBC Life Equity Growth Fund (“Equity Growth”) established December 15, 1989

RBC Life Bond Fund (“Bond”) established May 1, 1991

RBC Life Balanced Fund (“Balanced”) established May 1 1991

The Funds invest in UBS Global Asset Management pooled funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles. The following is a summary of the significant accounting policies:

a) Investments

Investment transactions are accounted for as of the trade date. Investments are valued at market inclusive of accrued interest and dividends due. The market value is determined using the published closing price of the units of the underlying fund on the valuation date.

Changes in market value are reflected in increase (decrease) in unrealized appreciation of investments. Realized gains and losses on units sold are measured on an average cost basis.

b) Valuation of funds

The net asset value per unit is determined by dividing the net asset value of the Fund by the total number of units outstanding at such time. The net asset value of the Funds is determined as at 4:30 p.m., Eastern Standard Time, each Friday at RBC Life Insurance Company head office in Meadowvale, Ontario

c) Expenses of Funds

Each Fund is responsible for the payment of the fees and expenses related to the operation of that Fund. Such fees and expenses include custodian fees, management fees, audit fees, bank charges, interest, brokerage on securities transactions and all indirect taxes.

d) Income taxes

Each Fund is deemed to be an inter-vivos trust under the provisions of the Income Tax Act (Canada) and is deemed to have allocated its income to the contract holders. Each Fund’s net capital gains (losses) are deemed to be those of the contract holders. Accordingly, each Fund is not subject to income tax on its net income, including net realized capital gains.

LIFE INSURANCE RBC COMPANY FUNDS

Notes to the Financial Statements

December 31, 2006

3. UNITHOLDERS' EQUITY

Units of the Funds, which are redeemable at the option of the holder in accordance with the provisions of the related policy contracts, do not have any nominal or par value and the number of units which may be issued is unlimited. Units of the Fund are issued or redeemed on a weekly basis at the net asset value per unit next determined after the purchase order or redemption request, respectively, is received by RBC Life Insurance Company. The following is a summary of issues and redemptions of units.

	2006		2005	
	<u>Units Issued</u>	<u>Proceeds from Issue of units</u>	<u>Units Issued</u>	<u>Proceeds from Issue of units</u>
Equity Growth Fund	126,254	\$ 3,759,446	182,362	\$ 4,620,527
Bond Fund	27,103	\$ 659,419	27,200	\$ 664,686
Balanced Fund	62,091	\$ 1,762,196	77,618	\$ 2,039,231

	2006		2005	
	<u>Units Redeemed</u>	<u>Amounts Paid on Redemption</u>	<u>Units Redeemed</u>	<u>Amounts Paid on Redemption</u>
Equity Growth Fund	308,291	\$ 9,198,700	382,605	\$ 9,619,783
Bond Fund	41,399	\$ 1,008,333	49,138	\$ 1,189,959
Balanced Fund	138,335	\$ 3,926,524	177,501	\$ 4,561,638

LIFE INSURANCE RBC COMPANY FUNDS

Notes to the Financial Statements

December 31, 2006

4. SUMMARY OF FINANCIAL INFORMATION

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
NET ASSET VALUE PER UNIT (a)					
Equity Growth	\$ 33.02	\$ 28.06	\$ 23.22	\$ 20.77	\$ 17.11
Bond	24.94	24.41	23.45	22.38	21.31
Balanced	30.40	27.38	24.06	22.16	19.60
NET INCOME (LOSS) PER UNIT (b)					
Equity Growth	\$ 5.18	\$ 5.04	\$ 2.55	\$ 3.66	\$ (3.21)
Bond	0.52	1.00	1.13	1.01	1.27
Balanced	3.15	3.50	2.05	2.61	(1.15)
MANAGEMENT EXPENSE RATIO, other than brokerage fees and commissions (c)					
Equity Growth	2.40%	2.40%	2.49%	2.32%	2.81%
Bond	2.15%	2.20%	2.18%	2.18%	2.17%
Balanced	2.49%	2.53%	2.61%	2.57%	2.75%
MANAGEMENT FEE (d)					
Equity Growth	\$ 1,223,327	\$1,158,056	\$1,110,701	\$1,024,163	\$1,092,054
Bond	124,625	132,100	137,085	143,101	147,445
Balanced	455,791	467,137	488,202	522,533	591,934
OTHER EXPENSES (e)					
Equity Growth	\$ 9,062	\$ 8,455	\$ 9,465	\$ 12,711	\$ 17,553
Bond	1,776	1,954	2,120	2,903	3,715
Balanced	5,122	5,077	5,508	7,342	10,075

- a) Net asset value per unit is computed by dividing the net asset value of a Fund by the total number of units of the Fund outstanding, as at the end of the period.
- b) Based on the number of units outstanding as at the end of the period.
- c) The management expense ratios for the Funds are based on expenses charged directly to the Fund (other than brokerage commissions and taxes on securities transactions) plus, if applicable, expenses of the underlying funds, calculated on a weighted average basis on the percentage weighting of underlying funds and is expressed as a percentage of the annual average net asset value calculated for the purpose of the issue of units of the Funds.

LIFE INSURANCE RBC COMPANY FUNDS

Notes to the Financial Statements

December 31, 2006

4. SUMMARY OF FINANCIAL INFORMATION (continued)

- d) In consideration for management services and investment advice, RBC Life Insurance Company is entitled to a management fee. The maximum management fee, exclusive of GST, is based on the following annual percentages, applied on a weekly basis to the respective net asset values of the Fund

Equity Growth Fund	Up to 2.375%
Bond Fund	Up to 2.000%
Balanced Fund	Up to 2.375%

- e) Custodian fee, audit fee, interest and bank charges are payable by the Funds.

5. SCHEDULE OF INVESTED ASSETS

	<u>Number of Units</u>	<u>Cost</u>	<u>% Fund Owned</u>	<u>Market Value</u>	<u>Market Value per Unit</u>
Equity Growth Fund					
UBS (Canada) Pooled Canadian Equity Fund	353,693	\$45,876,311	2.05%	\$50,869,880	\$ 143.82
Bond Fund					
UBS (Canada) Pooled Bond Fund	641,914	\$ 5,576,274	0.41%	\$ 5,794,109	\$ 9.03
Balanced Fund					
UBS (Canada) Pooled Bond Fund	771,298	\$ 6,650,399	0.49%	\$ 6,961,971	\$ 9.03
UBS (Canada) Pooled Canadian Equity Fund	74,921	\$ 9,713,738	0.43%	\$10,775,529	\$ 143.82
UBS (Canada) Money Market Fund	59,207	\$ 592,078	0.12%	\$ 592,078	\$ 10.00

Financial statements for UBS Global Asset Management funds are available upon request.

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