



**MAXIM<sup>TM</sup>, MENTOR<sup>®</sup>, MAXIVU AND MAXINVEST  
SEGREGATED FUNDS**

**FINANCIAL STATEMENTS  
and  
SUMMARY FACT STATEMENTS  
As of December 31, 2007**

**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.

RBC Asset Management Inc. is the professional investment manager for the Maxim, Mentor, Maxinvest and MaxiVu segregated funds. Financial statements and annual reports for the RBC 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).

On September 14, 2007, RBC Insurance<sup>®</sup> changed the manager of the underlying funds from UBS Global Asset Management Co. to RBC Asset Management Inc. With this new management, the underlying funds of the investment options were changed to RBC mutual funds. This did not affect the investment objectives of any of the investment options. You may find more information on RBC mutual funds on the following website: [www.rbcam.com](http://www.rbcam.com)

**EQUITY GROWTH FUND  
SUMMARY FACT STATEMENT  
DECEMBER 31, 2007**

**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 RBC Canadian Equity Fund managed by RBC Asset Management Inc.

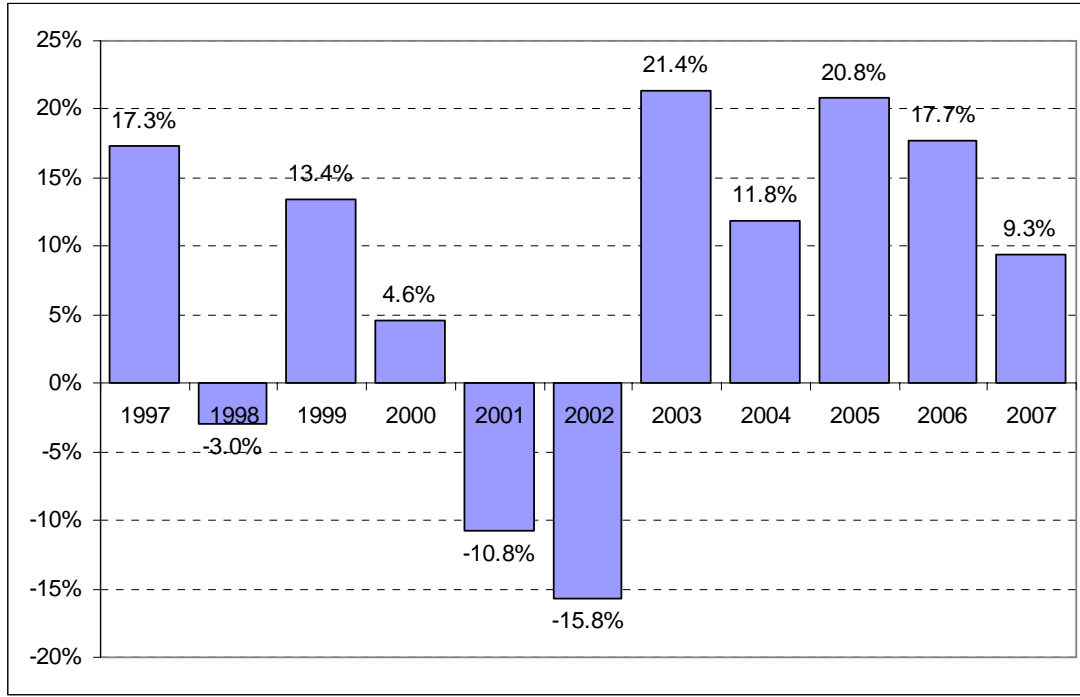
**Top 25 holdings of the underlying fund (December 31, 2007)**

<b>Top 25 Holdings</b>	<b>% of Net Assets</b>	<b>Top 25 Holdings</b>	<b>% of Net Assets</b>
Cash & Cash Equivalents	5.2	Bank of Montreal	1.9
Royal Bank of Canada	4.5	Petro-Canada	1.8
Manulife Financial Corporation	4.5	TransCanada Corp.	1.8
EnCana Corp.	4.1	Canadian National Railway Co.	1.6
Research In Motion Ltd.	4.1	Power Corporation of Canada	1.6
Suncor Energy Inc.	4.0	Canadian Imperial Bank of Commerce	1.6
Potash Corp. of Saskatchewan Inc.	3.6	Talisman Energy Inc.	1.5
Toronto-Dominion Bank	3.5	BCE Inc.	1.4
Bank of Nova Scotia	3.2	Brookfield Asset Management Inc., Cl. A	1.3
Canadian Natural Resources Ltd.	2.6	TELUS Corp., Class A	1.2
Goldcorp Inc.	2.5	Nexen Inc.	1.1
Rogers Communications Inc., Cl. B	2.2	Enbridge Inc.	1.1
B Sun Life Financial Inc.	2.0	<b>Total</b>	<b>63.9</b>

## PAST PERFORMANCE INFORMATION

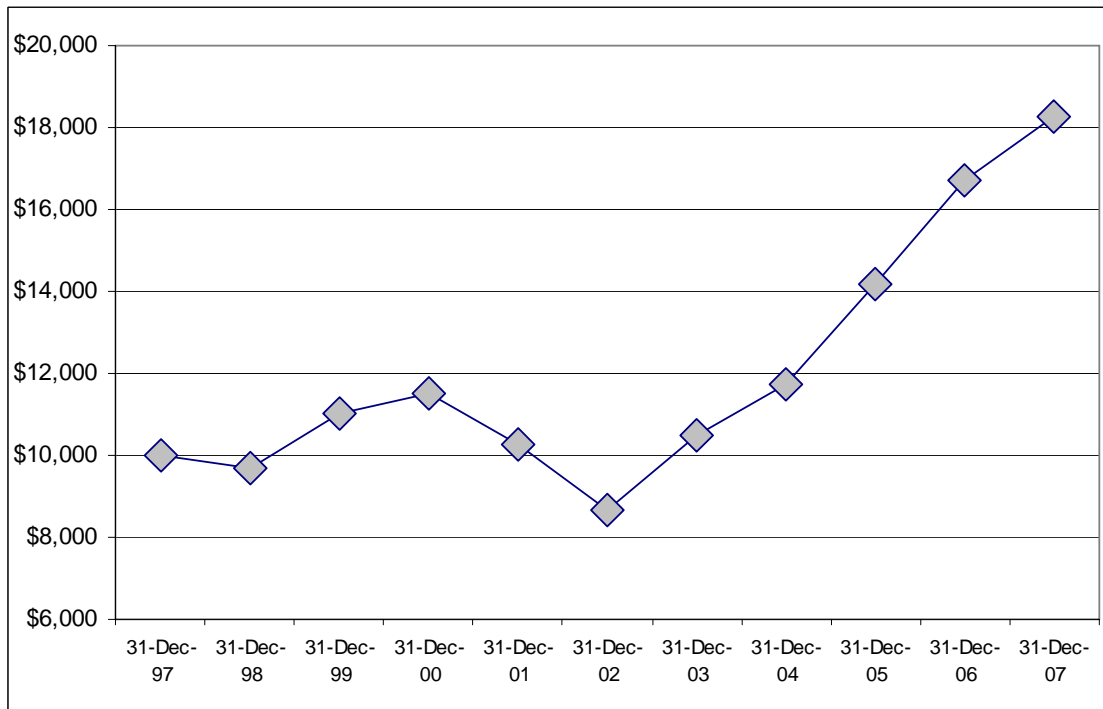
### Year-by-year returns of the Fund

The following chart shows the year-by-year annual performance Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or declined by December 31 in that year.



### Overall past performance of the Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund.



### Compound annual returns of the Fund

The following table shows the annual compound total return of the Fund as of December 31, 2007.

	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>
Equity Growth Fund	9.33%	15.85%	16.1%	6.2%

### ADDITIONAL INFORMATION

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Management Expense Ratio (MER)	2.35%	2.51%	2.42%	2.42%	2.58%
Portfolio Turnover Rate of the Underlying Fund*	33%	33%	100%	21%	41%

\*Indicates turnover rate for the UBS Canadian Equity Fund prior to 2007, and for RBC Canadian Equity Fund in 2007.

**THE BOND FUND  
SUMMARY FACT STATEMENT  
DECEMBER 31, 2007**

**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 RBC Bond Fund managed by RBC Asset Management Inc.

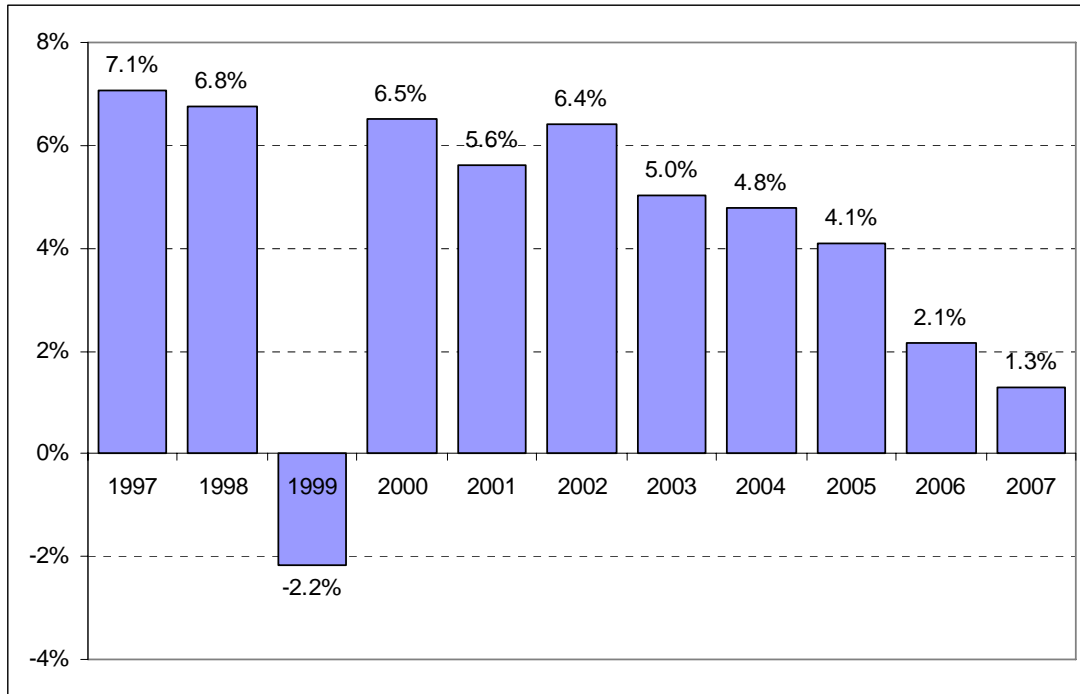
**Top 25 holdings of the underlying fund (December 31, 2007)**

<b>Top 25 Holdings</b>	<b>% of Net Assets</b>	<b>Top 25 Holdings</b>	<b>% of Net Assets</b>
Gov. of Canada 5.750% Jun 01 33	3.5	Prov. of Quebec 4.500% Dec 01 17	1.0
Prov. of Ontario 4.700% Jun 02 37	2.7	Prov. of Manitoba 6.500% Sep 22 17	1.0
Gov. of Canada 5.000% Jun 01 37	2.5	Gov. of Canada 4.000% Jun 01 16	0.9
Gov. of Canada 4.000% Jun 01 17	1.9	407 International Inc. 5.750% Feb 14 36	0.9
Canada Housing Trust 3.950% Dec 15 11	1.8	TD Capital Trust 7.600% Dec 29 49	0.9
Gov. of Canada 5.000% Jun 01 14	1.6	Gov. of Canada RRB 3.000% Dec 01 36	0.9
Hydro One Inc. 6.930% Jun 01 32	1.5	Toronto-Dominion Bank 4.970% Oct 30 15	0.9
Prov. of Quebec 5.000% Dec 01 15	1.2	Prov. of Quebec 5.250% Oct 01 13	0.8
Prov. of Ontario 4.300% Mar 08 17	1.2	Prov. of Quebec 5.000% Dec 01 38	0.8
Canada Housing Trust 3.550% Sep 15 10	1.2	Prov. of Quebec 6.250% Jun 01 32	0.8
Prov. of Ontario 8.500% Dec 02 25	1.1	Greater Toronto Airports Authority 5.000% Jun 01 15	0.8
Canada Housing Trust 4.050% Mar 15 11	1.1	Prov. of Ontario 6.500% Mar 08 29	0.8
Gov. of Canada 8.000% Jun 01 27	1.1	<b>Total</b>	<b>32.9</b>

## PAST PERFORMANCE INFORMATION

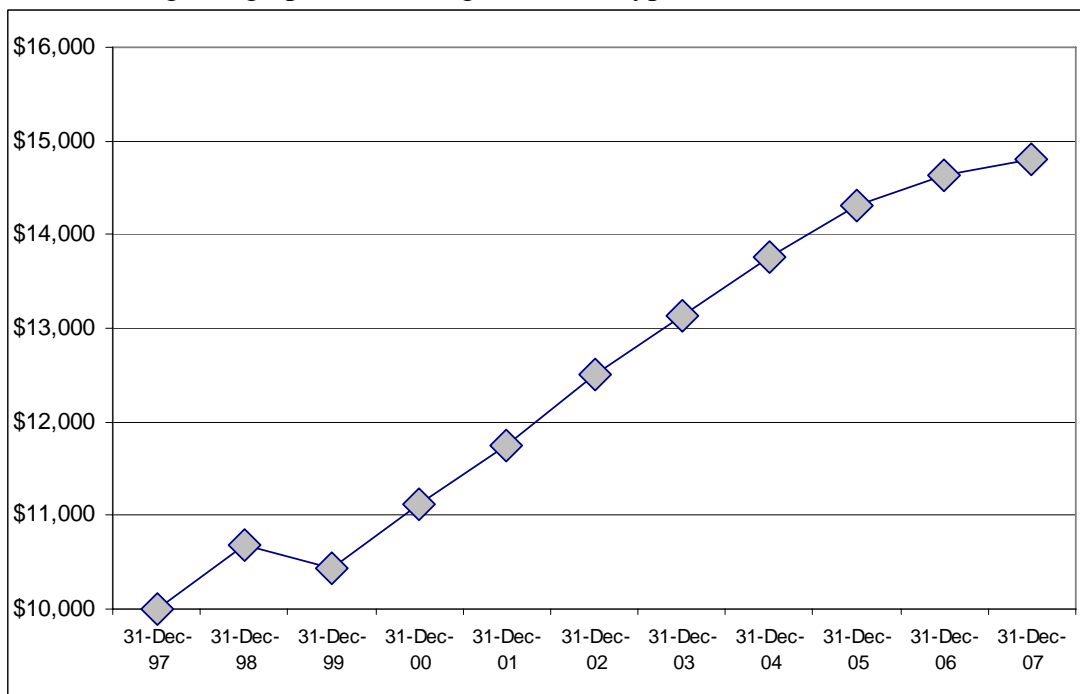
### Year-by-year returns of the Fund

The following chart shows the year-by-year annual performance Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or declined by December 31 in that year.



### Overall past performance of the Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund.



### Compound annual returns of the Fund

The following table shows the annual compound total return of the Fund as of December 31, 2007.

	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>
Bond Fund	1.29%	2.5%	3.45%	4.01%

### ADDITIONAL INFORMATION

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Management Expense Ratio (MER)	2.22%	2.21%	2.23%	2.18%	2.24%
Portfolio Turnover Rate of the Underlying Fund*	100%	100%	100%	100%	55%

\*Indicates turnover rate for the UBS Bond Fund prior to 2007, and for RBC Bond Fund in 2007.



**THE BALANCED FUND  
SUMMARY FACT STATEMENT  
DECEMBER 31, 2007**

**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 reservation of capital in real terms.

**INVESTMENT POLICY**

The Balanced Fund is invested in units of the RBC Balanced Fund managed by RBC Asset Management Inc.

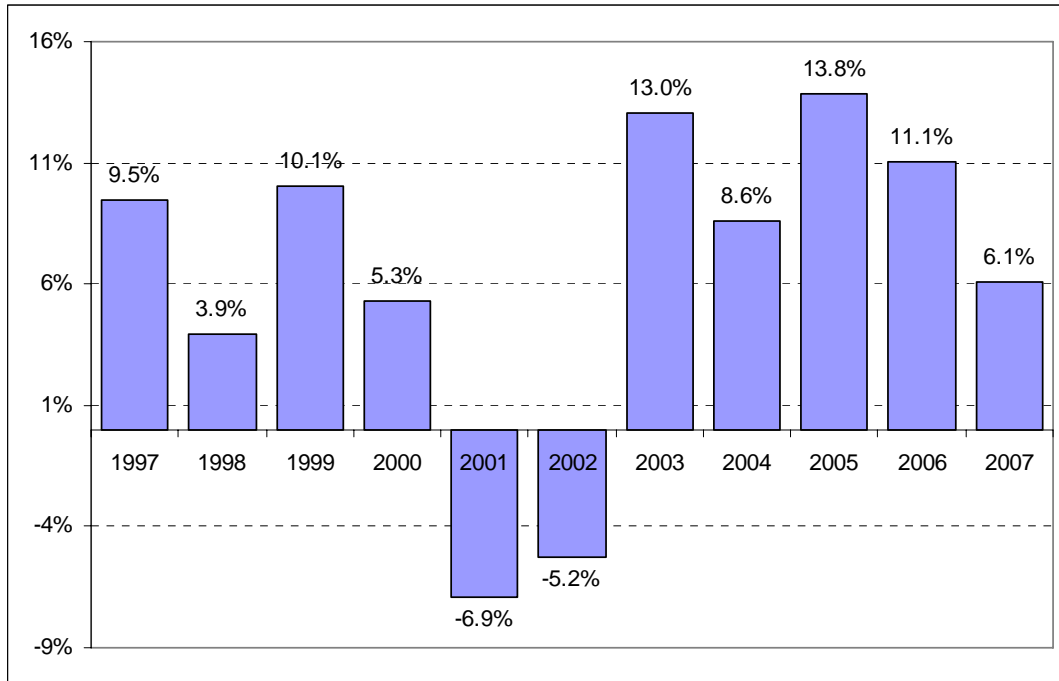
**Top 25 holdings of the underlying fund (December 31, 2007)**

<b>Top 25 Holdings</b>	<b>% of Net Assets</b>	<b>Top 25 Holdings</b>	<b>% of Net Assets</b>
Cash & Cash Equivalents	4.1	Gov. of Canada 5.750% Jun 01 33	1.0
Manulife Financial Corporation	1.7	Prov. of Quebec 5.500% Jun 01 09	1.0
EnCana Corp.	1.7	Canadian Natural Resources Ltd.	1.0
Royal Bank of Canada	1.7	Goldcorp Inc.	0.9
Suncor Energy Inc.	1.5	Rogers Communications Inc., Class B	0.8
Research In Motion Ltd.	1.5	Sun Life Financial Inc.	0.8
Potash Corp. of Saskatchewan Inc.	1.3	Petro-Canada	0.8
Toronto-Dominion Bank	1.3	Prov. of British Columbia 6.375% Aug 23 10	0.8
Bank of Nova Scotia	1.2	Prov. of Quebec 6.000% Oct 01 12	0.8
Prov. of Quebec 4.500% Dec 01 17	1.1	Prov. of Manitoba 6.500% Sep 22 17	0.7
Canada Housing Trust 3.550% Mar 15 09	1.1	Bank of Montreal	0.7
Prov. of Ontario 9.500% Jul 13 22	1.1	Prov. of Quebec 5.250% Oct 01 13	0.7
Canada Housing Trust 3.550% Sep 15 10	1.1	<b>Total</b>	<b>30.4</b>

## PAST PERFORMANCE INFORMATION

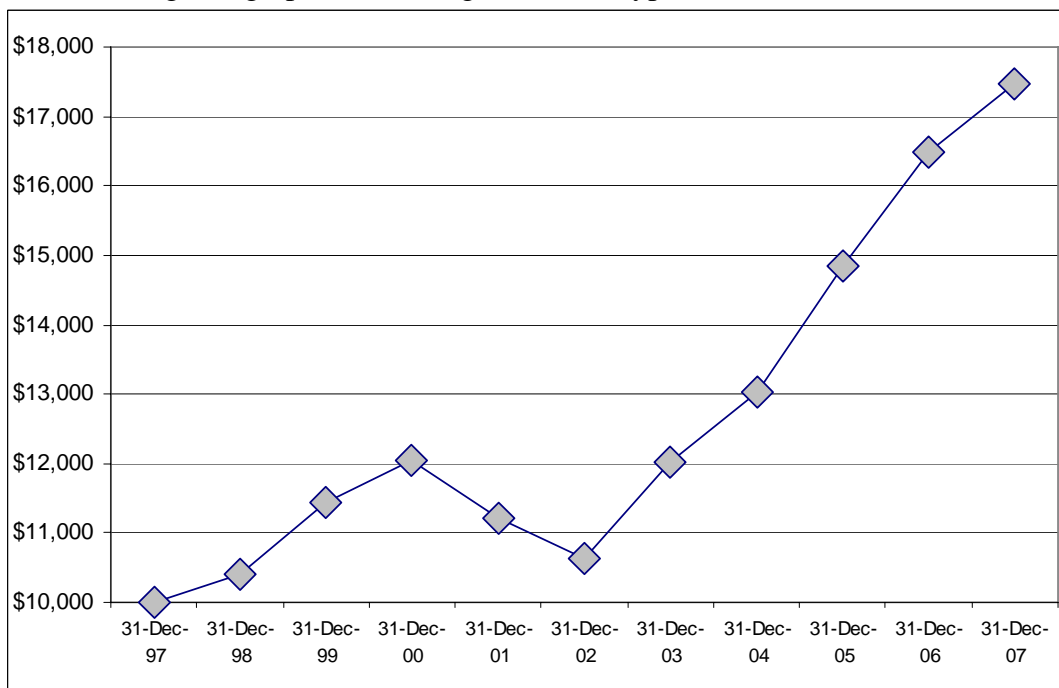
### Year-by-year returns of the Fund

The following chart shows the year-by-year annual performance Fund. The chart shows, in percentage terms, how much an investment made on January 1 in each year would have grown or declined by December 31 in that year.



### Overall past performance of the Fund

The following line graph shows the growth of a hypothetical \$10,000 investment in the Fund.



### Compound annual returns of the Fund

The following table shows the annual compound total return of the Fund as of December 31, 2007.

	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>
Balanced Fund	6.06%	10.26%	10.47%	5.74%

### ADDITIONAL INFORMATION

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Management Expense Ratio (MER)	2.63%	2.68%	2.56%	2.51%	2.59%
Portfolio Turnover Rate of the underlying fund*	(1)	(1)	75%	100%	61%

\*Indicates turnover rate for the UBS Balanced Fund prior to 2007, and for the RBC Balanced Fund in 2007.

(1) UBS Canadian Equity Fund turnover rate was: 33% in 2004 and 2005. UBS Bond Fund turnover rate was 100% in 2003 and 2004.

## 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, 2007 and the statements of operations and of changes in net assets 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 audits.

We conducted our audits 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, 2007 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  
Licensed Public Accountants  
February 22, 2008

**RBC LIFE INSURANCE COMPANY FUNDS**

**Financial Statements**

**December 31, 2007**

**Equity Growth Fund**

**Statement of Operations**

	Year ended December 31	
	2007	2006
<b>Income</b>		
Distribution from underlying funds	\$ 4,043,424	\$ 905,948
Realized gains on sale of investments	10,179,700	1,044,733
(Decrease) Increase in unrealized appreciation of investments	(8,317,790)	7,237,220
	<u>5,905,334</u>	<u>9,187,901</u>
<b>Expenses</b>		
Management fees	1,290,567	1,223,327
Bank charges and interest	4,926	4,871
Audit	4,191	4,191
	<u>1,299,684</u>	<u>1,232,389</u>
<b>Net Income</b>	<u>\$ 4,605,650</u>	<u>\$ 7,955,512</u>
Net income per unit	<u>\$ 3.30</u>	<u>\$ 5.18</u>

**Statement of Net Assets**

	As at December 31	
	2007	2006
<b>Assets</b>		
Investments in underlying funds at market value	\$ 50,456,014	\$ 50,869,880
Cash and term deposits	11	-
	<u>50,456,025</u>	<u>50,869,880</u>
<b>Liabilities</b>		
Bank indebtedness	-	132,243
Due to RBC Life Insurance Company	37,496	24,644
	<u>37,496</u>	<u>156,887</u>
<b>Unitholders' equity</b>	<u>\$ 50,418,529</u>	<u>\$ 50,712,993</u>
Net asset value per unit	<u>\$ 36.10</u>	<u>\$ 33.02</u>

**Statement of Changes in Net Assets**

	Year ended December 31	
	2007	2006
Net assets, beginning of the year	\$ 50,712,993	\$ 48,196,735
Premium deposits	3,475,849	3,759,446
Net income	4,605,650	7,955,512
	<u>58,794,492</u>	<u>59,911,693</u>
Less		
Withdrawals	8,375,963	9,198,700
	<u>8,375,963</u>	<u>9,198,700</u>
<b>Net Assets, end of the year</b>	<u>\$ 50,418,529</u>	<u>\$ 50,712,993</u>
Number of units outstanding	<u>1,396,642</u>	<u>1,535,877</u>

**RBC LIFE INSURANCE COMPANY FUNDS**  
**Financial Statements**  
**December 31, 2007**

**Bond Fund**

**Statement of Operations**

	Year ended December 31	
	2007	2006
<b>Income</b>		
Distribution from underlying funds	\$ 258,597	\$ 280,102
Realized gains on sale of investments	110,791	22,801
Decrease in unrealized appreciation of investments	(187,631)	(55,291)
	<b>181,757</b>	<b>247,612</b>
<b>Expenses</b>		
Management fees	115,993	124,625
Bank charges and interest	1,108	1,028
Audit	748	748
	<b>117,849</b>	<b>126,401</b>
<b>Net Income</b>	<b>\$ 63,908</b>	<b>\$ 121,211</b>
Net income per unit	<b>\$ 0.31</b>	<b>\$ 0.52</b>

**Statement of Net Assets**

	As at December 31	
	2007	2006
<b>Assets</b>		
Investments in underlying funds at market value	\$ 5,270,547	\$ 5,794,109
Cash and term deposits	11	-
	<b>5,270,558</b>	<b>5,794,109</b>
<b>Liabilities</b>		
Bank indebtedness	-	3,780
Due to RBC Life Insurance Company	3,319	2,419
	<b>3,319</b>	<b>6,199</b>
<b>Unitholders' equity</b>	<b>\$ 5,267,239</b>	<b>\$ 5,787,910</b>
Net asset value per unit	<b>\$ 25.26</b>	<b>\$ 24.94</b>

**Statement of Changes in Net Assets**

	Year ended December 31	
	2007	2006
Net assets, beginning of the year	\$ 5,787,910	\$ 6,015,613
Premium deposits	413,813	659,419
Net income	63,908	121,211
	<b>6,265,631</b>	<b>6,796,243</b>
Less		
Withdrawals	998,392	1,008,333
	<b>998,392</b>	<b>1,008,333</b>
<b>Net Assets, end of the year</b>	<b>\$ 5,267,239</b>	<b>\$ 5,787,910</b>
Number of units outstanding	<b>208,537</b>	<b>232,108</b>

**RBC LIFE INSURANCE COMPANY FUNDS**  
**Financial Statements**  
**December 31, 2007**

**Balanced Fund**

**Statement of Operations**

	Year ended December 31	
	2007	2006
<b>Income</b>		
Distribution from underlying funds	\$ 1,311,232	\$ 541,938
Realized gains on sale of investments	2,347,549	270,317
(Decrease) Increase in unrealized appreciation of investments	(2,132,394)	1,543,454
	<b>1,526,387</b>	<b>2,355,709</b>
<b>Expenses</b>		
Management fees	455,502	455,791
Bank charges and interest	2,346	2,825
Audit	2,297	2,297
	<b>460,145</b>	<b>460,913</b>
<b>Net Income</b>	<b>\$ 1,066,242</b>	<b>\$ 1,894,796</b>
Net income per unit	\$ 1.94	\$ 3.15

**Statement of Net Assets**

	As at December 31	
	2007	2006
<b>Assets</b>		
Investments in underlying funds at market value	\$ 17,779,865	\$ 18,329,578
	<b>17,779,865</b>	<b>18,329,578</b>
<b>Liabilities</b>		
Bank indebtedness	3	48,053
Due to RBC Life Insurance Company	13,224	8,894
	<b>13,227</b>	<b>56,947</b>
<b>Unitholders' equity</b>	<b>\$ 17,766,638</b>	<b>\$ 18,272,631</b>
Net asset value per unit	\$ 32.24	\$ 30.40

**Statement of Changes in Net Assets**

	Year ended December 31	
	2007	2006
Net assets, beginning of the year	\$ 18,272,631	\$ 18,542,163
Premium deposits	1,535,009	1,762,196
Net income	1,066,242	1,894,796
	<b>20,873,882</b>	<b>22,199,155</b>
Less		
Withdrawals	3,107,244	3,926,524
	<b>3,107,244</b>	<b>3,926,524</b>
<b>Net Assets, end of the year</b>	<b>\$ 17,766,638</b>	<b>\$ 18,272,631</b>
Number of units outstanding	<b>550,997</b>	<b>601,037</b>

**RBC LIFE INSURANCE COMPANY FUNDS**  
**Notes to the Financial Statements**  
**December 31, 2007**

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**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 RBC Asset Management mutual funds.

**2. CHANGES IN ACCOUNTING POLICIES**

**Financial Instruments**

The Funds adopted on January 1, 2007, the new provisions of the Canadian Institute of Chartered Accountants (“CICA”) new handbook Section 3855 Financial Instruments – Recognition and Measurement, Section 3865 Hedges, Section 1530 Comprehensive income and Section 3861, Financial Instruments – Disclosure and Presentation.

**Accounting policies now applied**

The new standards were applied on January 1, 2007 on a retrospective basis without prior period restatement, in accordance with the applicable transitional provisions.

The significant changes were:

Classification or designation of all financial assets and liabilities in one of these two categories:

- held-for-trading (“HFT”)
- other financial liabilities

There was no financial impact to these changes.

HFT financial assets

All financial assets are purchased with the intention of generating active trading profits in the near term, and are classified as HFT. All financial assets and liabilities are carried at fair value on the balance sheet, starting on the trade date, and the changes in fair values are recorded in the increase or decrease in unrealized appreciation of investments on the statement of operations. The transaction costs on purchase and sale of investments are expensed as incurred, and included in the statement of operations.

Determination of fair value

When a quoted active market exists, the fair values of financial assets are to be based on bid prices. The Funds invest solely in units of underlying mutual funds and as such, the Funds’ investments are valued based on the net asset value per unit of the underlying mutual fund, and those values reflect actual and regularly occurring market transactions on an arm’s length basis.



**RBC LIFE INSURANCE COMPANY FUNDS**  
**Notes to the Financial Statements**  
**December 31, 2007**

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**3. 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

Investments are classified as Held for Trading, and 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. Investment transactions are accounted for as of the trade 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 contractholders. Each Fund's net capital gains (losses) are deemed to be those of the contractholders. Accordingly, each Fund is not subject to income tax on its net income, including net realized capital gains.

**RBC LIFE INSURANCE COMPANY FUNDS**  
**Notes to the Financial Statements**  
**December 31, 2007**

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**4. 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.

	<b>2007</b>		<b>2006</b>	
	<b>Units Issued</b>	<b>Proceeds from Issue of units</b>	<b>Units Issued</b>	<b>Proceeds from Issue of units</b>
Equity Growth Fund	<b>97,592</b>	<b>\$ 3,475,849</b>	126,254	\$ 3,759,446
Bond Fund	<b>16,592</b>	<b>\$ 413,813</b>	27,103	\$ 659,419
Balanced Fund	<b>48,139</b>	<b>\$ 1,535,009</b>	62,091	\$ 1,762,196
	<b>Units Redeemed</b>	<b>Amounts Paid on Redemption</b>	<b>Units Redeemed</b>	<b>Amounts Paid on Redemption</b>
Equity Growth Fund	<b>236,827</b>	<b>\$ 8,375,963</b>	308,291	\$ 9,198,700
Bond Fund	<b>40,163</b>	<b>\$ 998,392</b>	41,399	\$ 1,008,333
Balanced Fund	<b>98,179</b>	<b>\$ 3,107,244</b>	138,335	\$ 3,926,524

**RBC LIFE INSURANCE COMPANY FUNDS**  
**Notes to the Financial Statements**  
**December 31, 2007**

**5. SUMMARY OF FINANCIAL INFORMATION**

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
NET ASSET VALUE PER UNIT (a)					
Equity Growth	\$ <b>36.10</b>	\$ 33.02	\$ 28.06	\$ 23.22	\$ 20.77
Bond	<b>25.26</b>	24.94	24.41	23.45	22.38
Balanced	<b>32.24</b>	30.40	27.38	24.06	22.16
NET INCOME PER UNIT (b)					
Equity Growth	\$ <b>3.30</b>	\$ 5.18	\$ 5.04	\$ 2.55	\$ 3.66
Bond	<b>0.31</b>	0.52	1.00	1.13	1.01
Balanced	<b>1.94</b>	3.15	3.50	2.05	2.61
MANAGEMENT EXPENSE RATIO, other than brokerage fees and commissions (c)					
Equity Growth	<b>2.58%</b>	2.42%	2.42%	2.51%	2.35%
Bond	<b>2.24%</b>	2.18%	2.23%	2.21%	2.22%
Balanced	<b>2.59%</b>	2.51%	2.56%	2.68%	2.63%
MANAGEMENT FEE (d)					
Equity Growth	\$ <b>1,290,567</b>	\$1,223,327	\$1,158,056	\$1,110,701	\$1,024,163
Bond	<b>115,993</b>	124,625	132,100	137,085	143,101
Balanced	<b>455,502</b>	455,791	467,137	488,202	522,533
OTHER EXPENSES (e)					
Equity Growth	\$ <b>9,117</b>	\$ 9,062	\$ 8,455	\$ 9,465	\$ 12,711
Bond	<b>1,856</b>	1,776	1,954	2,120	2,903
Balanced	<b>4,643</b>	5,122	5,077	5,508	7,342

- 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.

**RBC LIFE INSURANCE COMPANY FUNDS**  
**Notes to the Financial Statements**  
**December 31, 2007**

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**5. 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.

**6. 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>
<b>Equity Growth Fund</b>					
RBC Canadian Equity Fund Series O	1,809,893	\$ 53,382,777	-	\$ 50,456,014	\$ 27.88
<b>Bond Fund</b>					
RBC Bond Fund Series O	865,230	\$ 5,323,356	-	\$ 5,270,547	\$ 6.09
<b>Balanced Fund</b>					
RBC Balanced Fund Series O	1,403,349	\$ 18,621,558	-	\$ 17,779,865	\$ 12.67

Financial statements for RBC Asset Management funds are available upon request.