

AMENDMENT

AMENDMENT dated as of February 5, 2015 (the “Amendment”) to the Amended and Restated Interest Rate 2002 Master Agreement between **ROYAL BANK OF CANADA** (herein called “Party A”) and **RBC Covered Bond Guarantor Limited Partnership** (herein called “Party B”).

WITNESSETH:

WHEREAS the parties have previously entered into that 2002 Master Agreement dated as of August 1, 2014 (identified on page 1 thereof as the “Amended and Restated Interest Rate 2002 Master Agreement”), in the form published by ISDA, which includes the Schedule (as amended from time to time) including the credit support annex to the Schedule (as amended from time to time) (the “Credit Support Annex”) and all Confirmations confirming the Transactions thereunder (collectively, the “Agreement”); and

AND WHEREAS the parties now desire to amend the Credit Support Annex as described herein;

NOW THEREFORE, in consideration of the mutual agreements contained herein and in the Agreement, the parties hereto agree as follows:

1. Paragraph 11(b)(ii) of the Credit Support Annex is amended by deletion of the column titled “Valuation Percentages in respect of DBRS” and replacement with the following:

	Valuation Percentages in respect of DBRS*	
Collateral Type	Initial Rating Event Trigger	Subsequent Rating Event Trigger
Cash in Base Currency or US Dollars	100%	100%
U.S. Dollar Denominated Fixed-Rate Negotiable Treasury Debt issued by the U.S. Treasury Department with local and foreign currency issuer ratings equal to or better than “AA(low)” by DBRS, or U.S. Dollar Denominated debt obligations of or guaranteed by the government of Canada with local and foreign currency issuer ratings equal to or better than “AA(low)” by DBRS, in each case, with a remaining term to maturity of:		
Not more than 1 year	99.7%	99%
More than 1 year but not more than 3 years	99%	98%
More than 3 years but not more than 5 years	98.5%	96.5%
More than 5 years but not more than 7 years	98%	95%
More than 7 years but not more than 10 years	97.5%	93%
More than 10 years but not more than 20 years	97%	90%

Collateral Type	Valuation Percentages in respect of DBRS*	
	Initial Rating Event Trigger	Subsequent Rating Event Trigger
More than 20 years	96%	86%
* Valuation Percentages noted above are based on CAD, USD, GBP, EUR, JPY, CHF, DKK AND SEK and the assumption that the currency of the Eligible Credit Support is consistent with the currency of the Transaction payments. If the currency of the Eligible Credit Support is not CAD, USD, GBP, EUR, JPY, CHF, DKK AND SEK or is not the same as the currency of the Transaction payments, the Valuation percentages may be as agreed by DBRS.		

2. Paragraph 11(b)(iii) is amended by replacing the reference to “Part 5(k)(i) of the Agreement” and “Part 5(k)(ii) of the Agreement” with references to “Part 5(j)(i) of the Schedule to the Agreement” and “Part 5(j)(ii) of the Schedule to the Agreement”, respectively.

3. Paragraph 11(h)(vi)(iii) of the Credit Support Annex is amended by deletion in its entirety and replacement with the following:

“(iii) DBRS Requirements.

“Credit Support Amount” shall mean, (A) on any day after an Initial Rating Event with respect to DBRS has occurred but before a Subsequent Rating Event with respect to DBRS has occurred, the greater of (x) the Transferee’s Exposure plus the product of the Notional Amount, determined on such Valuation Date, of the Transaction and the respective derivative volatility cushion below, and (y) 0.

For Single-Currency Interest Rate Swap Transactions:

Weighted Average Life of Transaction in Years	Derivative Volatility Cushion (Initial Rating Event Trigger)
1 or less	0.25%
3 or less but more than 1	0.50%
5 or less but more than 3	1.00%
7 or less but more than 5	1.50%
10 or less but more than 7	2.50%
20 or less but more than 10	3.50%
more than 20	4.00%

For Cross-Currency Swap Transactions:

Weighted Average Life of Transaction in Years	Derivative Volatility Cushion (Initial Rating Event Trigger)
1 or less	2.00%
3 or less but more than 1	2.50%
5 or less but more than 3	2.75%
7 or less but more than 5	3.00%
10 or less but more than 7	3.50%
20 or less but more than 10	4.25%
more than 20	5.00%

and (B) on any day after a Subsequent Rating Event with respect to DBRS has occurred, the greatest of (x) the payment due to be made by Party A under Section 2(a) (after taking account of any applicable netting under Section 2(c)) on the next scheduled Payment Date under the Transaction, (y) the Transferee's Exposure plus the product of the Notional Amount, determined on such Valuation Date, of the Transaction and the respective derivative volatility cushion below, and (z) 0.

For Single-Currency Interest Rate Swap Transactions:

Weighted Average Life of Transaction in Years	Derivative Volatility Cushion (Subsequent Rating Event Trigger)
1 or less	0.75%
3 or less but more than 1	1.25%
5 or less but more than 3	2.00%
7 or less but more than 5	3.00%
10 or less but more than 7	5.00%
20 or less but more than 10	7.00%
more than 20	9.00%

For Cross-Currency Swap Transactions:

Weighted Average Life of Transaction in Years	Derivative Volatility Cushion (Subsequent Rating Event Trigger)
1 or less	7.00%
3 or less but more than 1	7.50%
5 or less but more than 3	8.00%
7 or less but more than 5	9.00%
10 or less but more than 7	10.00%
20 or less but more than 10	12.00%
more than 20	14.00%

4. **No Other Changes.** Except as provided above, no other provision of the Agreement is being amended hereby. All other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

5. **Ratification.** Except as modified herein, the Agreement is ratified and confirmed in all respects by both Party A and Party B.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

ROYAL BANK OF CANADA

**RBC Covered Bond Guarantor
Limited Partnership**, acting by its
managing general partner, RBC Covered
Bond GP Inc.

By: "James Salem"
Name: James Salem
Title: Executive Vice-President and
Treasurer

By: "David Power"
Name: David Power
Title: President