### **Frequently Asked Questions and Answers**

## Q: Why do I need to provide book value of my security and how does it benefit me?

A: Providing your book value is *optional*. However, you may find it useful for tracking the performance of your non-registered securities.

## Q: What happens if I decide not to provide this information?

A: Your statement will show N/A (not available) under the "Book Value" column for securities acquired before January 1, 2000, or transferred to RBC Direct Investing after this date.

# Q: What book value should I provide if I hold positions in the same security but different purchase prices?

A: When you have one security with different purchase prices, the book value is the sum of all of the book values. For example:

Security	Quantity	Ave. Unit	Total	Date of
Symbol		Cost	Book Value	Purchase
ABC	B 100	\$5.00	\$ 500.00	2/2/02
ABC	B 200	\$2.00	\$ 400.00	4/11/03
ABC	B 300	\$4.00	\$1200.00	3/22/05
Total	600	\$3.50	\$2100.00	Various

The book value in this example is \$2100.00. Simply fill in the quantity currently held and the current total book value amount when sending us an update on same security, but different package prices. The average unit cost is calculated by taking the total book value and dividing it by the quantity. In this example, the average unit cost is \$3.50. Please also note that your book value amount must be calculated on positions you *currently* hold, and not positions you held in the past.

Take the same scenario and include a sale of 500 shares at \$6.00. The book value would change to \$350.00, but the average unit cost would stay the same.

Security Symbol	Quantity	Ave. Uni Cost	it Total Book Value	Date of Purchase
ABC ABC ABC ABC	B 100 B 200 B 300 S 500	\$5.00 \$2.00 \$4.00 \$6.00	\$ 500.00 \$ 400.00 \$1200.00	2/2/02 4/11/03 3/22/05 9/15/06
Total	100	\$3.50	\$ 350.00	Various

#### Q: How do I calculate the book value for a security that has received reinvested dividends?

A: You would calculate book value in the same manner as the above example for same securities purchased at different prices, as reinvested dividends are categorized as purchases of the same securities.

## Q: How do you know the book value I provide is correct?

A: RBC Direct Investing will not verify the book value provided. There will be a footnote on the statement to reflect that the client provided all or a portion of this information. Clients are responsible for accuracy and tax implications.