

ROC Pref III Corp. Announcement

TORONTO – March 1, 2007 (RPB.PR.A) - ROC Pref III Corp. announces that, as anticipated in our press release dated November 16, 2006, Standard & Poor's Ratings Services yesterday lowered the rating of ROC Pref III Corp.'s preferred shares from P-2 (mid) to P-2 (low) and removed them from CreditWatch. The preferred shares had been on CreditWatch with negative implications since November principally because of leveraged buyout driven downgrades to a number of companies that are, or were at the time of their downgrade, in the Reference Portfolio (described below). These companies include Sabre Holdings Corporation, Tribune Company, TXU Corp. and Clear Channel Communications.

The Investment Manager, Connor, Clark & Lunn Investment Management Ltd, commented that "Performance of the Reference Portfolio has been positive both in absolute terms and relative to the broad credit markets so far in 2007. The recent extremely high pace of leverage buyouts, however, has led to a number of credit rating downgrades of reference companies to below investment grade. This has, in turn, affected the rating of the CLN and the preferred shares. This LBO activity is largely driven by an extremely strong current overall credit environment by historical standards and the consequently low price of borrowing for sub-investment grade companies." The Investment Manager expressed continued confidence in the companies in the Reference Portfolio.

ROC Pref III Corp.'s preferred shares pay a fixed quarterly coupon of 4.40% on their \$25.00 principal value and will mature on March 22, 2012. The rating on the preferred shares reflects the rating on the C\$263,860,000 fixed-rate managed credit linked note issued by The Toronto-Dominion Bank (the "CLN"), which was reduced to BBB- and removed from CreditWatch concurrently with the preferred shares. The CLN references a portfolio of 126 companies (the "CLN Reference Portfolio"). The Standard & Poor's rating addresses the likelihood of full payment of interest and payment of \$25.00 principal value per preferred share on the maturity date. The preferred shares benefit from the protection of a first loss tranche equal to 3.35% of the CLN Reference Portfolio. As a result, ROC Pref III Corp. will be able to sustain approximately 7 further credit events, which is approximately 2.6 times the average default rate and 1.6 times the worst default rate experienced in a portfolio of the same credit quality as the Reference Portfolio in any five-year period since 1981. The corresponding coverage levels at the time of issuance of the CLN were 2.5 times and 1.7 times respectively.

The preferred shares are listed for trading on the TSX under the symbol RPB.PR.A.

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