

BLACKROCK MUNIHOLDINGS INSURED FUND II, INC.  
Form SC 13G  
March 10, 2009

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 13G**

**Under the Securities Exchange Act of 1934**

**BlackRock MuniHoldings Insured Fund II, Inc.**

(Name of Issuer)

**Auction Rate Preferred Stock**

(Title of Class of Securities)

**09254C206**

**09254C305**

**09254C404**

(CUSIP Numbers)

**February 28, 2009**

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).



CUSIP Nos. 09254C206, 09254C305, 09254C404

1. Names of Reporting Persons.

I.R.S. Identification Nos. of above persons (entities only).  
Royal Bank of Canada

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)   
(b)

3. SEC Use Only

4. Citizenship or Place of Organization  
Canada

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With:

5. Sole Voting Power  
0

6. Shared Voting Power  
371

7. Sole Dispositive Power  
0

8. Shared Dispositive Power  
371

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
371

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
6.4%

12. Type of Reporting Person (See Instructions)  
HC

CUSIP Nos. 09254C206, 09254C305, 09254C404

1. Names of Reporting Persons.

I.R.S. Identification Nos. of above persons (entities only).  
RBC Capital Markets Corporation

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)   
(b)

3. SEC Use Only

5. Citizenship or Place of Organization

Minnesota

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With:

5.	Sole Voting Power 0
6.	Shared Voting Power 371
7.	Sole Dispositive Power 0
8.	Shared Dispositive Power 371

9. Aggregate Amount Beneficially Owned by Each Reporting Person  
371

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)  
6.4%

12. Type of Reporting Person (See Instructions)  
BD

**Item 1.**

- (a) Name of Issuer  
BlackRock MuniHoldings Insured Fund II, Inc.
- (b) Address of Issuer's Principal Executive Offices  
100 Bellevue Parkway  
  
Wilmington, Delaware 19809

**Item 2.**

- (a) Name of Person Filing  
1. Royal Bank of Canada
- (b) Address of Principal Business Office or, if none, Residence  
2. RBC Capital Markets Corporation  
1. 200 Bay Street  
  
Toronto, Ontario M5J 2J5  
  
Canada  
  
2. One Liberty Plaza  
  
165 Broadway  
  
New York, New York 10006
- (c) Citizenship  
See Item 4 of the Cover Pages.
- (d) Title of Class of Securities  
Auction Rate Preferred Stock
- (e) CUSIP Numbers  
09254C206, 09254C305, 09254C404

**Item 3.**

- If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the persons filing are:**
- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8).
- (e)  An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with §240.13d-1(b)(1)(ii)(G);
- (h)  A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
- (i)  A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with Rule 13d-1(b)(1)(ii)(J);
- (k)  Group, in accordance with § 240.13d-1(b)(1)(ii)(J).



**Item 4. Ownership**

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

The number of shares reported herein represents combined holdings in multiple series of auction rate preferred securities of the issuer, which are treated herein as one class of securities pursuant to the Securities and Exchange Commission's Auction Rate Securities Global Exemptive Relief no-action letter issued on September 22, 2008.

- (a) Amount beneficially owned:  
  
See Item 9 of the Cover Pages.
- (b) Percent of class:  
  
See Item 11 of the Cover Pages.
- (c) Number of shares as to which the person has:
  - (i) Sole power to vote or to direct the vote  
  
See Item 5 of the Cover Pages.
  - (ii) Shared power to vote or to direct the vote  
  
See Item 6 of the Cover Pages.
  - (iii) Sole power to dispose or to direct the disposition of  
  
See Item 7 of the Cover Pages.
  - (iv) Shared power to dispose or to direct the disposition of  
  
See Item 8 of the Cover Pages.

*Instruction:* For computations regarding securities which represent a right to acquire an underlying security see §240.13d-3(d)(1).

**Item 5. Ownership of Five Percent or Less of a Class**

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than 5 percent of the class of securities, check the following

**Item 6. Ownership of More than Five Percent on Behalf of Another Person**

Not applicable.

**Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company**

RBC Capital Markets Corporation is an indirectly wholly owned subsidiary of Royal Bank of Canada.

**Item 8. Identification and Classification of Members of the Group**

Not applicable.

**Item 9. Notice of Dissolution of Group**

Not applicable.

**Item 10.**

**Certification**

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: March 6, 2009

ROYAL BANK OF CANADA

/s/ Tom Smee

Signature

Tom Smee/Senior Vice President

Name/Title

/s/ Bryan Osmar

Signature

Bryan Osmar/Senior Vice President

Name/Title

RBC CAPITAL MARKETS CORPORATION

\*/s/ John Penn

Signature

John Penn/Authorized Signatory

Name/Title

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\*This Schedule 13G was executed by John Penn pursuant to the power of attorney filed with the Securities and Exchange Commission on March 10, 2009 in connection with a Schedule 13G for BlackRock MuniHoldings Fund II, Inc., which power of attorney is incorporated herein by reference.



Index to Exhibits

**Exhibit**

**Exhibit**

A Joint Filing Agreement

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**EXHIBIT A**

**JOINT FILING AGREEMENT**

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, the persons or entities named below agree to the joint filing on behalf of each of them of this Schedule 13G with respect to the Securities of the Issuer and further agree that this joint filing agreement be included as an exhibit to this Schedule 13G. In evidence thereof, the undersigned hereby execute this Agreement as of March 6, 2009.

ROYAL BANK OF CANADA

/s/ Tom Smee

Signature

Tom Smee/Senior Vice President

Name/Title

/s/ Bryan Osmar

Signature

Bryan Osmar/Senior Vice President

Name/Title

RBC CAPITAL MARKETS CORPORATION

\*/s/ John Penn

Signature

John Penn/Authorized Signatory

Name/Title

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\*This Schedule 13G was executed by John Penn pursuant to the power of attorney filed with the Securities and Exchange Commission on March 10, 2009 in connection with a Schedule 13G for BlackRock MuniHoldings Fund II, Inc., which power of attorney is incorporated herein by reference.