

Your Account Agreement



■ Introduction	2
■ About this agreement	2
■ About your account.....	3
■ Purchases, switches and redemptions	7
■ Schedule A – Statement of policies.....	10
■ Schedule B – Automated services	11
■ Schedule C – RBC Managed Portfolios.....	13
■ Schedule D – RBC Investment Advantage	15

Introduction

Thank you for choosing Royal Mutual Funds Inc. In this document, "RMFI", "we" or "us" means Royal Mutual Funds Inc. "You" and "your" mean the holder or holders of an account with RMFI. The RBC Funds and other mutual funds distributed by RMFI from time to time are referred to as the "Funds" or a "Fund". "Royal Bank" refers to Royal Bank of Canada. "Royal Trust" refers to Royal Trust Corporation of Canada (or, in Quebec, The Royal Trust Company). "Units" means units or shares of a Fund. "Taxes" means taxes, assessments, interest and penalties.

This Agreement explains how your account works. It also tells you about RMFI's policies for conflicts of interest and using information about you. If you have any questions about this Agreement or your account, please contact your RMFI mutual funds representative or call RMFI's toll-free Customer Service line at 1-800-463-3863.

About RMFI RMFI is an indirect subsidiary of Royal Bank. RMFI and Royal Bank are separate corporate entities which are affiliated. RMFI is licensed as a financial services firm in the province of Quebec.

About this Agreement

When you sign the RMFI account opening forms, you confirm that the information you have provided is true, complete and accurate and you agree to the terms set out in this Agreement.

The following schedules are included in and form part of this Agreement:

- *Schedule A – Statement of policies*
- *Schedule B – Automated services*
- *Schedule C – RBC Managed Portfolios*
- *Schedule D – RBC Investment Advantage*

Any schedules RMFI adds in the future will also form part of this Agreement. Our separate Regulatory Disclosure Document that includes conflicts of interest disclosures, including referral arrangements, relationship disclosure information and other disclosures, made available to you at the time of account opening, and if applicable, at the time you may be referred to another RBC company for products or services, does not form part of this Agreement. This Agreement and the forms you signed are governed by and interpreted according to the laws of the Canadian jurisdiction in which you reside. If you relocate outside Canada, this Agreement will be exclusively governed by the laws of the Province of Ontario. If any part of this Agreement is invalid or cannot be enforced, the rest of this Agreement will remain in full force and effect. If you die or are declared legally incompetent by a court with the jurisdiction to do so, this Agreement will continue and will be binding on your legal representatives.

Language / Langue (Quebec residents only – Résidents du Québec seulement) You acknowledge you have been offered the choice to enter into this Agreement in French or English. You have selected to enter into this Agreement in English, after being provided with the French version. Therefore, you agree that this Agreement, and any document related to it, including notices, will be in English only. *Vous reconnaissiez vous être fait offrir le choix de conclure cette convention en français ou en anglais. Vous avez choisi de conclure cette convention en anglais, après avoir reçu la version française. Par conséquent, vous acceptez que cette convention et tous les documents qui s'y rattachent, y compris les avis, soient en anglais seulement.*

This Agreement continues to apply, and your account is deemed not to be a new account and to continue as an existing account, including in the following circumstances: (a) your account is temporarily closed or reopened; (b) your Retirement Savings Plan is converted to a Retirement Income Fund; (c) we give your account a different number; or (d) your account is changed, following your death, to an estate account.

Giving notice Any notices you give RMFI or RMFI gives you must be in writing. RMFI will either send any notices to you by mail to the last address RMFI has on file for you or electronically, either by e-mail or through an automated service described in *Schedule B – Automated services*.

Notices, confirmations, account statements and other communications RMFI sends you by regular or first class mail are deemed to be given and received on the fifth business day after RMFI mails them.

Any notices, confirmations, account statements and other communications or information RMFI provides you in person, or sends you by fax or electronically, including through an automated service described in *Schedule B – Automated services*, are deemed to be received on the day they are provided or sent to you.

Please send your notices to RMFI at the following address:

RBC Royal Bank
Mutual Funds & Registered Plans Customer Service
P.O. Box 6001
Montreal, QC H3C 3A9

Your notice to RMFI is effective when RMFI receives it. If RMFI wants you to send your notice to another address, RMFI will tell you in writing.

Assigning the Agreement You cannot assign this Agreement to any other party without RMFI's written consent. This Agreement binds you as well as your respective heirs, executors, administrators, successors and any party to whom this Agreement has been properly assigned.

Except with respect to Registered Plans/Accounts, RMFI may assign its rights and obligations under this Agreement to another RBC company that is qualified to provide services to you, without prior notice to you.

If we merge or amalgamate with another company or companies, or if another company takes over our mutual fund distribution business, the new company will take over our rights and duties under this Agreement.

Making amendments RMFI may change any term of this Agreement by giving you at least 30 days' notice in writing, subject to the notice of fee changes described under the Fees section. RMFI may notify you through an automated service described in *Schedule B – Automated services*. Your continued use of one or more accounts, an automated service or the maintenance of any securities held in one or more accounts after the date of any such amendment shall constitute for all purposes your consent to such amendment. No action taken by RMFI nor any failure to take any action or exercise any right, remedy or power available to RMFI under this Agreement or otherwise shall be deemed to constitute a waiver or other modification of any of RMFI's rights, remedies or powers.

Waiver The waiver of any of RMFI's rights at any point will not prevent RMFI from enforcing those rights at any point in the future.

Ending this Agreement This Agreement will end when:

- you give RMFI notice in writing and RMFI acknowledges it in writing, which shall not be unreasonably withheld or delayed, or
- RMFI gives you notice in writing.

See the following sections for additional details on when we may close your account and end this Agreement:

- *Limiting or closing your account*
- *Residency outside Canada*
- *Joint accounts*
- *Minimum amounts*
- *Unclaimed property*

About your account

Privacy RMFI is dedicated to protecting your privacy and safeguarding your personal, business and financial information. No matter how you choose to provide information to RMFI, RMFI uses vigorous safeguards to make sure your personal and financial information is protected.

RMFI may offer you other services based on the information you have provided to RMFI if they are appropriate.

Products and services Your account will be operational on the date that you agree to the account opening form and related documents.

RMFI is a separate legal entity that is affiliated with a number of companies that are part of the Royal Bank of Canada. In respect of your account, you acknowledge and consent to the purchase or sale of securities of issuers that are related or connected to RMFI. More information about related and connected issuers, our affiliates and the products and services, including investment advice, we offer to clients is made available to you in our separate Regulatory Disclosure Document.

Although you may rely on the advice provided to you by mutual fund representatives, you are ultimately responsible for making your own investment decisions.

Account information RMFI may require additional documents if the account is held by a business, partnership, investment club or other entity. You agree to notify RMFI as soon as possible of any changes to the information you have provided to RMFI, including your name, address, investment objectives, financial circumstances, risk tolerance and other relevant information, including tax residency as further described under the *Taxes and tax residency* section. If you do not tell RMFI about a change in your contact information, statutory obligations relating to unclaimed property in certain Canadian jurisdictions may apply. Please refer to the *Unclaimed property* section in *Schedule A – Statement of policies* for further information.

This Agreement, our account forms and all other agreements and documents relating to your account (collectively, your "Account Documentation") may at our discretion be retained by us electronically. You hereby consent, pursuant to applicable electronic commerce legislation and otherwise, to your Account Documentation being retained by us solely in electronic form.

You further agree that the electronic record of your Account Documentation is admissible in any legal, administrative, regulatory, self-regulatory or other proceeding as conclusive evidence of the accuracy and completeness of its contents and your agreement to the terms and conditions contained therein in the same manner as the original or originals. In connection with the foregoing, you consent to and waive any right to object to the use, provision, acceptance, enforcement or introduction into evidence in any proceeding of any electronic copy of your Account Documentation.

Residency outside Canada If you or someone with authority over your account (e.g. trading authority) becomes a resident of a jurisdiction outside Canada, RMFI may at its sole discretion, with or without notice to you, place restrictions on your account including restricting further mutual fund purchases, cancelling pre-authorized contributions and auto-switches to mutual funds and terminating auto-rebalancing. In some cases, RMFI may have to redeem your investments and close your account. Also see the *Ending this Agreement* section. You agree to promptly notify us of any change in your residency, even if temporary. RMFI is not responsible for any losses resulting from restrictions that may be placed on your account due to a change in your residency.

Fees You agree to pay applicable charges, fees or commissions for operating your account, including any administrative fees. RMFI may increase or introduce new operating charges, fees or commissions by giving you at least 60 days' notice in writing.

RMFI may receive trailing commissions on the mutual funds you hold with RMFI. You will find additional details regarding fees and costs associated with any particular Fund in the Fund Facts/simplified prospectus that applies to the Fund. RMFI may also receive trailing commissions on investment savings accounts.

Taxes and tax residency Amounts received from investments are taxable according to applicable tax legislation. You should consult with a professional tax and/or legal advisor on all matters relating to your investments, including your residency for tax purposes. It is your responsibility to determine where you are resident for tax purposes. Furthermore, you represent to RMFI that, for so long as you have an account with RMFI or any affiliate of RMFI, you have filed and will continue to file truthfully all necessary tax returns, forms and disclosures with respect to all of your transactions and accounts at RMFI or its affiliates with each taxation authority having jurisdiction over your tax affairs by reason of your citizenship, residence or domicile. You acknowledge and agree that you are responsible for paying any Taxes owing to any taxation authority in relation to such accounts.

The Canada Revenue Agency (CRA) requires us to obtain from you a self-certification of tax residency when required. You agree to provide us with your country (or countries) of tax residency at the time of account opening and within 30 days of any change in circumstances regarding your tax residency (e.g., change of address to another jurisdiction). You may be required to provide us with additional documentation to support your residency status for tax purposes.

If you are a resident of a foreign jurisdiction for tax purposes, the Common Reporting Standard (CRS) requires us to annually report specific information to the CRA if Canada has an exchange relationship with that jurisdiction. The CRA may in turn forward information about you and your account to the other country.

In the case of the United States, the CRA also shares the information with the Internal Revenue Service (IRS) when an individual or entity is a U.S. person (as required by the Canada-U.S. Enhanced Tax Information Exchange Agreement – Foreign Account Tax Compliance Act (FATCA)). The IRS definition of a “United States Person” for U.S. tax purposes includes a citizen or a resident of the United States. A citizen of the U.S. (including an individual born in the U.S.) who is a resident in another country for tax purposes can still be a U.S. person if they have not renounced their U.S. citizenship.

You also agree to provide us with your Tax Identification Number(s) (TIN(s)) associated with your tax jurisdiction(s) for reporting purposes, or a reasonable explanation of why you are ineligible for or unable to obtain a foreign TIN. We may request from you and collect your TIN through various channels such as in person, by mail, by email, by phone or online.

If your business has an entity classification for the purposes of FATCA and CRS, the business and any Controlling Persons, if applicable, must provide a self-certification of residency for tax purposes. The Controlling Person of an entity is defined as the natural person who exercises control over the account(s). We may rely on information in our possession including the Standard Industrial Code (SIC) to confirm the entity classification.

To the extent that you or a Controlling Person has identified to have tax residence in a jurisdiction offering a potentially

high-risk Citizenship by Investment (CBI) or Residence by Investment (RBI) scheme, we may require further confirmation that the provided self-certification or documentary evidence is correct and reliable.

Your failure to provide us with a valid self-certification and TIN(s), if applicable, may result in fines and/or penalties payable by you directly to the relevant tax authorities and also restraints on your account with us.

Capacity If you are an individual, you confirm that you have the legal capacity to enter into this Agreement and have reached the age of majority. If you are married, you represent that you are not married under “legal community of property” under the laws of Quebec. If you are, then your spouse must also sign this Agreement and your account opening forms. Also see the *Non-personal entities* section.

Indebtedness If you owe RMFI money, RMFI may apply the credit balance in any of your non-registered accounts with RMFI to any indebtedness without giving you notice. This means RMFI may transfer any credit or debit balances between this account and other accounts you hold with RMFI in order to offset any indebtedness.

Statements, confirmations and reports RMFI will assume your statements, confirmations and reports are complete and accurate. You are responsible for notifying RMFI of any errors within 45 days of deemed receipt of the statement or report, and within 5 days of deemed receipt of the trade confirmation. RMFI is responsible only for the accuracy of information related to your investments with RMFI and not for any other holdings. See our separate Regulatory Disclosure Document for a description of the content and frequency of reporting to you.

Registered plans Registered plans are governed by an application together with a Declaration of Trust, a Trust Agreement or a Plan Text, depending on the plan type. It is the registered plan documentation (i.e., the application, and the Declaration of Trust, Trust Agreement or Plan Text) that sets out the terms of your registered plan. As concerns a registered plan, this Agreement deals only with the investment of the registered plan’s assets and should be read as such. Should there be anything in this Agreement that is not consistent with the terms of your registered plan documentation, that documentation prevails over this Agreement. You are responsible for reading the applicable governing registered plan documents and meeting their terms.

Royal Trust is the trustee of the plan, Royal Bank is the agent of the trustee and the administrator or promoter of the plan, and RMFI is the investment agent for mutual fund holdings. Within the same plan, you may hold both mutual funds and non-mutual fund investments (e.g., GICs). Mutual funds are distributed by RMFI.

The law requires you to provide your social insurance number to open a registered plan. When you open your plan, it is submitted for registration with the Canada Revenue Agency (CRA).

Any references in this Agreement to “account” also refer to registered plans, where applicable.

Non-registered accounts If you hold units of a Fund in a non-registered account, you have to include any income and capital gains from your investments in your annual income. Different kinds of income are taxed at different rates. Please consult with your tax advisor for more information.

Group Savings Plans Group Savings Plans consist of registered accounts and non-registered accounts offered by RMFI through which your employer can arrange to have funds deducted from your regularly scheduled employment payments (such as payroll) and may also allow for contributions by your employer.

Non-personal entities Corporations, partnerships, investment clubs or other non-personal entities are required by law to provide RMFI with information establishing the ownership, control and structure of the entity when opening an account with RMFI. When signing the RMFI account opening forms, you confirm that all information provided to RMFI in this regard is true, complete and accurate in all respects.

If you are a corporation, trustee, partnership, investment club or other legal entity, you represent that you have the right and ability to enter into this Agreement and to carry out the transactions described herein and that the execution and delivery of this Agreement has been properly authorized.

Notwithstanding anything to the contrary in this Agreement, where the account is held in the name of a corporation, trust, estate or non-corporate entity (e.g., partnership, investment club, association or other similar organization), and in the event that any person with account authority, or in the case of a non-corporate entity, any partner, member, associate or other authorized individuals in the case of a similar organization, as the case may be (a “Member”), notifies RMFI that the assets of the account are subject to legal proceedings, or if RMFI otherwise becomes aware that the account authorities or Members have suffered a relationship breakdown that affects the maintenance or operation of the account, RMFI may require all instructions given in respect of the account to be given jointly in writing by all account authorities or Members, as applicable.

RMFI also reserves the right to redeem mutual funds in the account and will be entitled to apply to the court for directions or pay the redemption proceeds into court, which payments will be in Canadian dollars and, in either case, to fully recover any legal costs it incurs and deduct such costs from the amount to be transferred into court.

Joint accounts If the account is designated “Any One to Sign”, RMFI may accept instructions for the account from any of the accountholders without notifying any of the other accountholders. As examples, RMFI may, without giving notice to other accountholders, accept instructions from any other accountholder to (i) update account information, including risk tolerance, investment objective and time horizon, (ii) buy or sell securities, or (iii) transfer securities, money or other property to any accountholder or third party including paying any account proceeds to any accountholder or third party.

RMFI may accept these instructions without verifying them, including instructions given through RBC Telephone Banking, RBC Online Banking and MyAdvisor®.

We are only responsible to send account statements, trade confirmations, annual reports, notices and other communications as required under the section of this Agreement entitled “*Statements, confirmations and reports*” to one of you, without giving notice to the others, unless you notify us in writing that additional accountholders would like to receive such account statements, trade confirmations, notices and other communications.

If the account is designated “All to Sign”, RMFI may only accept instructions for the account if each accountholder authorizes them.

Each accountholder is jointly and severally (in Quebec, solidarily) liable for all of the account’s debts, obligations and liabilities, including paying fees and charges.

If one of the accountholders dies, the surviving accountholders must immediately notify RMFI in writing and provide us with acceptable evidence of the death. Until RMFI receives this notice, RMFI may carry out orders and treat the account as though all accountholders were living. Before or after RMFI receives this notice, RMFI may:

- ask the surviving accountholders for certain documents,
- restrict trading or other activity in the account, or
- take any other steps RMFI determines are necessary.

For joint accounts, if you reside outside Quebec, the deceased accountholder’s share of the account will pass automatically to the surviving accountholder(s) once RMFI receives notice in writing of the death. The surviving accountholder(s) and the estate of the deceased accountholder will be jointly and severally liable for all of the account’s debts and liabilities. The terms of this Agreement will continue to apply to the account. If you reside in the province of Quebec, the Civil Code of Quebec and other laws will apply if one of the accountholders dies.

For the purpose of establishing or maintaining and operating your account, you consent to us sharing your personal information with the other joint accountholder(s) and their respective Trusted Contact Person(s) or Assistants, if any. Also see the *Trusted Contact Person and Assistants* section.

Notwithstanding anything to the contrary in this section, in the event that any of the joint account holders notifies us that the assets of the joint account are subject to divorce, or other legal proceedings between the joint account holders, or we otherwise become aware that the joint account holders have otherwise suffered a relationship breakdown, we may require all instructions given in respect of the joint account to be given jointly in writing by all account holders. We also reserve the right to liquidate assets of the joint account and will be entitled to apply to the court for directions or pay the liquidation proceeds into court, which payments will be in Canadian dollars and, in either case, to fully recover any legal costs we incur and deduct such costs from the amount to be transferred into court.

Informal trust accounts An informal trust account is registered in your name (the trustee) on behalf of another person (the beneficiary). The beneficiary is the beneficial owner of the trust. The trustee is responsible for making sure that all investment income and capital gains are properly reported according to the attribution rules in the Income Tax Act (Canada). If you have questions about the requirements for reporting investment income, you should contact your local CRA Taxation office or your own personal tax advisor.

Cash Certain non-registered RMFI accounts cannot hold client cash. In order to facilitate redemptions, you are required to identify a bank account to accept deposits. If you do not identify such an account, you agree to open a savings account at RBC to allow for pre-authorized deposits.

If RMFI holds cash in your account (which excludes cash in a savings deposit within a registered plan, cash within a savings account with RBC and cash within an RBC Managed Portfolios Account), RMFI will pay you interest on the cash at an annual interest rate that is the greater of (i) Royal Bank Prime less 2.75%, and (ii) zero, calculated daily and paid semi-annually.

Trading authorization You can give another person, such as your spouse, other relative or friend, authorization to buy, switch and redeem Fund units in your account by completing an RMFI Trading Authorization form.

RMFI does not allow this person to transfer money from your account to himself or herself. RMFI will transfer the proceeds of any redemption to your bank account, unless RMFI receives other instructions from you. You assume the risk on all transactions involving a power of attorney or an RMFI trading authority on your account. You agree to indemnify RMFI, its affiliates and their directors, officers and employees from all costs, damages and losses, including legal costs incurred from a transaction involving a power of attorney or from a trading authority on your account. This trading authorization will no longer be valid upon your death or incapacity.

Death or incapacity We will require estate documentation to release funds from any account upon the death of an accountholder. Estate documentation means any document that may be required by us in our absolute discretion, and may include a death certificate, probated will or notarial will (in Quebec). In the event of any dispute regarding the release of funds upon your death, we may pay the amounts held in any account into court and recover any expenses, including legal fees, incurred by us from the funds in an account.

Subject to the terms in the *Joint accounts* section, upon reviewing notice of your death, we will cease to accept instructions provided in accordance with this Agreement for your account and shall not redeem any mutual funds in the account until we receive instructions from a representative of your estate or other court appointed or otherwise recognized representative. We reserve the right to refuse to act upon any instructions of such a representative without being provided with letters of administration, letters probate, a notarial will or any other document or evidence of, or in connection with, the authorization or transmission as we may deem necessary.

Following a review of the notification to us of your death, we may deem your account to continue as an existing account for the sole purpose of allowing the assets of the account to be distributed, or to be transferred to a testamentary trust, in each case in accordance with the terms of your will. In accordance with the foregoing, we reserve the right to require (i) the completion, by a representative of your estate or other court appointed or otherwise recognized representative (each a "Personal Representative"), of any of our forms or provision of any other documents that we deem appropriate, and (ii) the distribution or transfer to be completed within a period of time determined by us, acting reasonably.

You agree that the terms of this Agreement shall survive and your Personal Representative shall take over your rights and duties to the same extent as such rights and duties are enjoyed by you.

Subject to the terms in the *Joint accounts* section, upon reviewing notice of your incapacity, we will cease to accept instructions provided in accordance with this Agreement for your account and shall not redeem any mutual funds in the account until we receive instructions from a validly appointed attorney under a power of attorney for property or by any committee, property guardian or similar representative appointed by a court (each "Substitute Decision Maker").

We reserve the right to refuse to accept the appointment of a Substitute Decision Maker in our sole discretion if it is not satisfactory to us, or we may refuse to act upon any instructions of such a Substitute Decision Maker without being provided with a validly executed power of attorney or any other document as we may deem necessary.

In the event of any indicia of your incapacity, we reserve the right, but are not obliged, (i) to refuse to act upon any instruction provided by a Substitute Decision Maker; and (ii) to require such documentation as we deem appropriate, in each case to assess our right under (i), where we believe, acting reasonably, that any instruction provided by that Substitute Decision Maker may not be in your best interest. Furthermore we reserve the right, but are not obliged, acting reasonably, (i) to take any action that we deem necessary or appropriate in connection with your account, including to restrict access to, freeze, suspend, decline, reverse, return or otherwise refuse to act on, honour, or process any of your instructions or related transactions; or (ii) to require such additional documentation as we deem appropriate, in each case where we believe, acting reasonably, that (a) the instruction is not consistent with your previous instructions or investment or transfer habits; and (b) may impede your financial well-being. Also see the *Limiting or closing your account* section and *Trusted Contact Person* section.

Upon notice of your death or incapacity, we may continue to debit your account in respect of any applicable fees, charges or commissions payable to us under this Agreement without prior notice to, or demand upon, your successors (in the case of your death) or your attorney (in the case of your incapacity). If applicable to your account, see *Schedule C* (RBC Managed Portfolios) or *Schedule D* (RBC Investment Advantage) for further details on how account fees will be dealt with upon your death or incapacity.

Indemnity and liability RMFI or any of RMFI's affiliates are not liable for any losses in your account as a result of events beyond our control which may result in:

- *trading in securities,*
- *delays in receiving or processing documentation or trading instructions, or*
- *delays in transferring securities or account balances to or from a third party.*

Events beyond our control include but are not limited to, acts of God, government restrictions, exchange or market rulings, suspension of trading, periods of abnormal or unusual market activity, wars, strikes or interruptions of communications, internet or data processing services. We are not liable for any loss, expense or damage you suffer as a result of any action we take or do not take because of an error in your instructions to us or if we refuse to execute any instruction with respect to your account. We are also not liable if we do not receive your instructions.

Limiting or closing your account In our sole discretion, we may suspend, freeze, or restrict access to, restrain, block or terminate your right to use your account or any services related to your account, if applicable, with or without notice, even if you are not in default of this Agreement, including for the following reasons: if (i) there is unusual, improper, or suspicious activity; (ii) you are a victim of fraud, financial exploitation or identity theft in order to prevent future losses; (iii) we reasonably believe that you are experiencing diminished mental capacity which may affect your ability to make financial decisions relating to your account(s) subject to the terms set out in section entitled *"Death or incapacity"* of this Agreement; (iv) we are required by law; (v) you are resident in a jurisdiction outside Canada; (vi) there is a dispute about, or it is uncertain to us, who is entitled to holdings in the account; (vii) we have reasonable grounds to believe that you committed or may commit fraud, used or will use the account for any unlawful purpose, or caused or will cause us a loss; (viii) you operate the account in an unsatisfactory manner or contrary to our policies; or (ix) you violate the terms of any agreement applicable to the account or any related service. Upon freezing or closing your account, we will have the right to, among other things, redeem mutual funds held in your account. See the *Taxes and tax residency* section for further details on when there may be restraints on your account. Also see the *Ending this Agreement, Trusted Contact Person and Death and incapacity* sections.

Trusted Contact Person RMFI will provide you with an opportunity to name and provide contact information for a person that you trust who is mature (regardless of age), is able to conduct potentially difficult conversations about your personal situation and preferably is not involved with making decisions regarding your account ("Trusted Contact Person" or "TCP") at account opening and on a periodic basis.

If applicable in your personal circumstances, we may, at our discretion, contact your TCP(s) or your legal representative(s) on file with us if we notice signs of financial exploitation or if you exhibit signs of diminished mental

capacity as it relates to decisions involving financial matters relating to your account(s). We may also contact your TCP(s) to confirm your contact information if we are unsuccessful in contacting you after repeated attempts, particularly if failure to contact you is unusual. We may ask the TCP(s) to confirm the name and contact information of your legal representative(s) (e.g., attorney under a power of attorney or a legal guardian). You can change your TCP(s) or withdraw your consent for us to contact the TCP(s) by contacting your mutual funds representative or by calling 1-800-463-3863.

By providing TCP information, you authorize us to contact the TCP(s), at our discretion, for the purposes noted above, and you (i) agree that you will notify the TCP(s) that you have identified them as your trusted contact, confirm your TCP(s) consents for us to communicate with them in accordance with this Agreement and advise us if they decline to serve as your TCP(s); and (ii) agree to release us from all claims that relate to any decision we make regarding whether or not to contact the TCP(s), in your personal circumstances, and any information that we may share with the TCP(s).

See the *Limiting or closing your account* section.

Assistants We will communicate with and accept communication from an Assistant with regard to decisions made by you, in the absence of reasonable grounds to believe that the Assistant is not acting in accordance with their powers and duties. An Assistant is a person who acts as an intermediary between you and us, assisting you with financial decision-making, and must be duly authorized pursuant to applicable provincial law (in this document referred to as "Assistant"). It is your responsibility to inform us of the termination of the Assistant's authority. We will rely on the Assistant's authority until we receive written notice of its termination.

Other Notwithstanding this Agreement, your account may be subject to additional terms and conditions pursuant to our, Royal Bank's and our affiliates' policies and any other applicable regulatory requirements.

Purchases, switches and redemptions

How to buy, switch and redeem Depending on the type of account that you have with RMFI, you can buy, switch and redeem GICs or units of the Funds in the following ways:

- *by visiting your RBC Royal Bank® branch,*
- *by visiting another RBC Royal Bank branch. You need to have a client card, and the terms of your client card agreement apply,*
- *by meeting with a mutual funds representative at a location that is convenient for you,*
- *by calling RBC Telephone Banking or using RBC Online Banking or MyAdvisor.*

Please speak to a mutual funds representative to find out which options are available to you.

In some cases, RMFI may, at its sole discretion, allow you to place orders by telephone, fax or e-mail other than the

ways listed above. Before RMFI does this, RMFI may require additional verification of your identity and may require that your instructions be further confirmed in writing.

RMFI may record any of your communications with RMFI. The terms set out in *Schedule B – Automated services* apply to transactions made through RBC Telephone Banking and RBC Online Banking.

Refusing orders RMFI may refuse to execute any instructions with respect to your account from you, your trading authority, your power of attorney or your Legal Representative, including, all or part of any order to buy, switch or redeem units, where we deem it necessary or advisable to promote market integrity or comply with our duties or obligations under applicable laws or regulatory requirements and without any obligation to provide you with any notice of such refusal.

We are not responsible for any loss, expense, or damage you suffer for a rejection or modification of any instructions with respect to your account provided that the rejection or modification was consistent with our duties and obligations under applicable securities laws and regulations. We reserve the right to decline to accept orders to purchase mutual funds for your account if, in our opinion, they are not suitable for you based on your know-your-client (KYC) information. RMFI must do so within two business days. If RMFI refuses your order to buy, RMFI will return any money it received for that order or part order.

Additional information about refusing orders can be found in the simplified prospectus that applies to the Fund.

Excessive trading RMFI may refuse your order to buy or switch units or any future orders if RMFI determines that you are trading excessively.

Minimum amounts Some of the Funds have minimum balance and/or transaction amounts. You will find details in the Fund Facts/simplified prospectus that applies to the Fund. If your balance falls below the minimum, RMFI may be required to redeem all of your units and close your account.

Insufficient funds In the event a debit transaction fails due to non-sufficient funds in the deposit account that you have requested to be debited as per your instructions, then you acknowledge and agree that no funds will be debited from your account on that date, but on the next scheduled payment date instead, if funds are available. If a purchase of mutual funds has been processed before the failure of a debit transaction, RMFI will cancel your mutual fund order and redeem the units. If RMFI redeems the units for less than the value they were issued for, RMFI will pay the difference to the mutual fund and collect from you this amount plus the costs of doing so. You may be charged a fee by the financial institution holding your bank account if you have insufficient funds in your account.

Pre-authorized investment plan Our pre-authorized mutual fund purchase plan lets you buy Fund units on a regular basis. You will find details about the minimum initial investments and additional investments in the Fund Facts/simplified prospectus that applies to the Fund.

RMFI will send you a confirmation only for the first purchase made under the plan. You are responsible for notifying RMFI of any errors within 45 days of deemed receipt of the confirmation.

You can make changes to or cancel the plan by giving RMFI at least four business days' notice in writing or by calling RBC Telephone Banking.

If your payment is returned because there is not enough money in your bank account, RMFI will cancel your order and redeem the units. If RMFI redeems the units for more than the value they were issued for, the difference will go to the Fund. If RMFI redeems the units for less than the value they were issued for, RMFI will pay the difference to the Fund and collect this amount plus the costs of doing so from you. You may be charged a fee by the financial institution holding your bank account if you have insufficient funds in your account.

Portfolio monitoring – drift notification and rebalancing

Our portfolio monitoring service lets you authorize RMFI to monitor and rebalance your account based on your instructions relating to target fund allocation, monitoring start date, drift threshold and frequency. You can choose from the following two options:

- *Receive drift notifications telling you when your portfolio holdings have moved away from your set targets and subsequent rebalancing services so that your portfolio holdings move back in line with your set targets.*
- *Receive drift notifications only, with no portfolio rebalancing.*

You will receive the Fund Facts for each Fund in the target fund allocation initially purchased in your portfolio, and not for any rebalancing transactions.

You can subsequently obtain the latest version of the Fund Facts at no cost at any RBC Royal Bank branch, by calling 1-800-463-3863 or at <https://www.rbcgam.com/ca/products/mutual-funds> or www.sedar.com.

There may be tax implications for rebalancing transactions in non-registered accounts.

RMFI may change or terminate this service at any time upon written notice to you.

Please contact an RBC advisor for more information.

Pre-authorized transactions You may authorize RMFI to set up pre-authorized transactions for deposits to, or withdrawals from, your applicable Account(s).

Pre-authorized transactions may include Pre-Authorized Debits from your RBC or outside account to fund your applicable account(s) for investment purposes, pre-authorized purchases of mutual funds, or pre-authorized redemptions from mutual funds held in your Account.

You understand and agree that for Pre-Authorized Debits established as a funding source in respect of registered accounts, you are solely responsible for ensuring that your deposits to, or mutual fund purchases in, your Account fall within your allowable annual contribution limits for your registered accounts. The Canada Revenue Agency may apply tax penalties for over-contributions. RMFI is not responsible for any such penalties.

Pre-Authorized Debits (“PAD”) Unless otherwise defined, all capitalized terms used in this section have the meanings given to them in Rule H1 (“Rule H1”) of the Canadian Payments Association (“CPA”) doing business as Payments Canada.

a) Authority to Debit Your RBC or Outside Account

Pursuant to the Confirmation of Your Activities document or, if applicable, your completed instructions provided through the RBC Advice Center, Online Banking or MyAdvisor, you authorize RMFI to debit an RBC or outside account held in your name (the “PAD Account”) at a Processing Member with certain Pre-Authorized Debits for the purpose of funding your applicable account(s) for personal or business investment contributions, as applicable. For greater certainty, those instructions, along with this Agreement, constitute your “Payor’s Authorization for Pre-Authorized Debits” (“Authorization”) in accordance with the requirements of CPA Rule H1, or your “Payor’s PAD Agreement.”

b) Change of Account Information

You may authorize RMFI to debit another account held in your name with RBC or another financial institution by providing at least thirty (30) days prior written notice of such change provided to RMFI, and any other financial institution shall apply to that account and all debits made pursuant to Authorization.

c) Waiver/Modification of Pre-notification/Confirmation Periods

We may change the amount or frequency of your PAD from your PAD Account upon your instruction requesting the change that is provided in writing, verbally or by other remote means.

You agree to waive any pre-notification requirements under Payments Canada’s rules that apply to any PAD under this Authorization. This means you accept that no advance notice will be provided before the due date of any PAD issued after the first PAD. Where applicable, you agree to waive the requirement to receive confirmation prior to the due date of the first PAD under this Authorization, and you agree that such confirmation may be provided to you within five (5) calendar days following the date of the first PAD. You agree that no advance notice will be provided to you in the event of a change in the amount or timing of a PAD.

d) Cancellation/Revocation

Your Authorization is to remain in effect until RMFI has received written notification from you of its change or termination. This notification must be received at least thirty (30) days in advance at the address designated in the notice provisions of this Agreement. You may obtain a sample cancellation form or more information on your right to cancel your Authorization by contacting your RMFI mutual funds representative or by visiting www.payments.ca. The Authorization provided in this PAD Agreement applies only to the method of payment between you and RMFI. Neither this PAD Agreement, nor the termination of the PAD Agreement, will affect any obligations or arrangements between you and RMFI, including any payment obligations or contracts for goods or services.

RMFI may terminate your entitlement to pay by PAD (1) immediately, without notice, if any PAD is not honoured by the PAD Account as a result of there being insufficient funds, or for any other reason whatsoever which prevents the transfer of funds; or (2) on thirty (30) days’ written notice being provided to the address we have on record for you.

e) Recourse/Reimbursement Statement

You have certain recourse rights if any debit does not comply with your Authorization. For example, you have the right to receive a reimbursement for any debit that is not authorized or is not consistent with your Authorization. You may dispute a PAD under the following conditions:

- (i) if the PAD was not drawn in accordance with your Authorization;
- (ii) if your Authorization was revoked; or
- (iii) if pre-notification or confirmation was not received by you as required in accordance with Payments Canada’s Rules.

In order to be reimbursed, you acknowledge that a declaration to the effect that either (i), (ii) or (iii) took place must be completed and presented to the branch of the financial institution holding the PAD Account no later than either:

- *ninety (90) calendar days in the case of a Personal Funds Transfer PAD; or*
- *ten (10) business days in the case of a Business PAD;* after the date on which the PAD in dispute was posted to the PAD Account (the “Claim Period”). You acknowledge that after the Claim Period, you will be required to resolve any claim or dispute that you may have regarding a PAD solely with RMFI.

You may obtain more information on your recourse rights by contacting your RMFI mutual funds representative or visiting www.payments.ca.

Unless you have expressly advised us otherwise, this Payor’s PAD Agreement will be considered to be for your personal use, not for the use of a business. If it is in fact intended for the use of a business, please advise us accordingly, including in your instructions that will reference Business PAD as the appropriate category.

f) No Validation by Processing Member

The Processing Member is not responsible for validating the terms of your Authorization in respect of any PAD issued and drawn on your PAD Account. Until cancelled or revoked by you in writing to us in accordance with these terms, RMFI is authorized to withdraw the amounts you have specified from your PAD Account and credit those amounts to your Account in accordance with your instructions.

g) Authority

You confirm your Authorization is duly Authorized by the valid authority for your PAD Account in accordance with applicable agreements with the Processing Member, and all persons whose signatures are required to authorize withdrawals have signed this Payor’s PAD Agreement.

Furthermore, you agree that any PAD instructions you provide may only be made in respect of a PAD Account that is held in your name.

h) Disclosure of Information

You consent to the collection, use, and disclosure to third parties of your information to the extent necessary to process any PAD.

i) Contact Information

Any notice, inquiry, request or other communication required or permitted in connection with your Authorization must be in Writing and delivered in accordance with the notice provisions in this Agreement and the contact information we have on record for you. Any such communication will be deemed to have been given in accordance with the notice provisions in this Agreement. You agree to provide us with prior Written notice of any necessary changes in your contact information.

Pre-authorized registered account contributions

In the event that you have instructed us to establish a pre-authorized Contribution to your applicable registered account using funds held in an account in your name or, in the case of a spousal contributor to your registered account, in the name of such spousal contributor, at a PAD Account, you, and if applicable your spouse, acknowledge your Payor's PAD Agreement is for the benefit of RMFI, as payee, and RBC in consideration of RBC agreeing to process one or more Authorizations against the PAD Account in accordance with CPA Rule H1. Any PAD instructions in your Payor's PAD Agreement can only be made for a PAD Account held solely or jointly in your name or in the name of a spousal contributor, and you warrant and guarantee that all persons whose signatures are required to provide written instructions to RMFI have done so.

Pre-authorized mutual fund purchase and systematic withdrawal/redemption plans

In the event that you have instructed us to establish a pre-authorized mutual fund purchase or systematic withdrawal/redemption plan, with fixed-amount purchases or redemptions annually, semi-annually, quarterly, monthly, or bi-weekly, you agree that:

- (i) for applicable registered Accounts, cash will be taken from (for a mutual fund purchase) the PAD account to fund the mutual fund purchase in the registered account or deposited to (for a mutual fund redemption) either the cash balance inside your registered account or another account designated by you; or
- (ii) for applicable non-registered Accounts, cash will be taken from (for a mutual fund purchase) or deposited to (for a mutual fund redemption) the bank account you instructed RMFI to use for this purpose, which may be a PAD Account.

You agree that your Payor's PAD Agreement is for the benefit of RMFI and our affiliate mutual fund company, RBC Global Asset Management Inc., to use for this purpose. The mutual fund company, as payee, is authorized pursuant to your Payor's PAD Agreement to process one or more PADs against a PAD Account in accordance with CPA Rule H1. You authorize RMFI to share your banking information with RBC Global Asset

Management Inc. if this information is necessary to establish the pre-authorized mutual fund purchase or redemption plan.

You further agree that RMFI may accept instructions from you, which may be in writing, in connection with the establishment of, or a change to, a pre-authorized mutual fund purchase or redemption plan for your Account.

Our systematic withdrawal plan lets you receive monthly, quarterly or semi-annual payments from your account by deposit in a bank account of your choosing. In the event that the payment for the redemption is returned to RMFI, then RMFI, in its sole discretion, may reinvest the proceeds of the payment in additional units of the same Fund from which units were redeemed, at the net asset value of the units as of the close of business on the day the payment is reinvested.

If you withdraw more than your investment is earning through the systematic withdrawal plan, you will reduce and eventually use up your original investment.

Distributions Distributions on Fund units held in registered plans offered through Royal Bank are always reinvested in additional units of the same Fund. For non-registered accounts, all distributions will be reinvested in additional units of the same Fund unless you tell RMFI that you wish to receive them in cash. RMFI is authorized to reverse or modify any cash distribution payment made to your bank account in order to correct any error in such payment.

Distributions are reinvested at the net asset value at the close of business on the day the distribution is paid.

Reinvested distributions are treated as purchases by you and are subject to this Agreement. There is no charge for reinvesting distributions.

Schedule A – Statement of policies

Conflicts of interest Specific information relating to conflicts of interest, including referral arrangements, are made available to you in a separate disclosure document at the time of account opening and, if applicable, at the time you may be referred to another RBC company for products or services.

Anti-money laundering policies RMFI employees follow RBC policies to make sure that the money RMFI accepts from clients is from a legitimate source.

Lending practices Loans offered by Royal Bank or Royal Trust are never conditional on buying Funds.

Unclaimed property If RMFI has no record of activity in your account for a period of time as prescribed under applicable legislation, RMFI may be required to undertake reasonable efforts to locate you. If we are unable to locate you, RMFI is permitted to do any or all of the following, in its sole discretion:

- (i) where there is applicable legislation respecting unclaimed property and payments, comply with such legislation, including reporting and/or remitting the property within your account to the applicable provincial, territorial or federal authority;

- (ii) impose a system restraint on your account such that no transfers of funds to or from the account may be made, and no account statements will be mailed until you have been located and have updated your account information; or
- (iii) deposit a credit of the unclaimed funds into a new bank account that is opened in your name, provided that all information required to open such account will be the same as the information we have on record for you.

Should the property in your account be fully remitted to the applicable provincial, territorial or federal authority, RMFI shall no longer have any liability or responsibility with respect to your account and it will be closed. You may be able to reclaim the property that was in your account from that authority subject to the prescribed procedures available under applicable legislation.

Schedule B – Automated services

By using any of RMFI's automated services described in this schedule, you agree to the terms and conditions set out below and set out in any of our, Royal Bank's and our affiliates' policies and other agreements with you relating to such services. Where applicable, such other agreements or any parts of those agreements should be read in conjunction with this Agreement.

These terms are in addition to and are not a substitute for any other terms in this Agreement and do not replace any other agreement you have with an RBC company (now or in the future) for any other product or service, including any consent, authorization or preference you have given or may give to us regarding the collection, use and disclosure of your personal information ("Other Agreement"). The Other Agreement still applies, including to any applicable product or service. You also agree to comply with all instructions RMFI may give you in connection with accessing and using the services.

In this schedule, an automated service means any service that allows you to access your account, information or other services RMFI provides by regular or automated telephone communications, cellular or portable phone, fax machine, personal computer, television, modem or other similar devices. Information refers to any information you receive or provide through an automated service, including orders you place.

The terms, rules, procedures, fees and charges set out in any written or computer-generated instructions, software, manuals, fee schedule or other documents RMFI provides to you relating to RMFI's automated services form part of this schedule.

Passwords Your password is the personal password or passwords you have chosen or RMFI has provided to you. Your password lets you access your account, place orders and receive information through RMFI's automated services.

You agree to keep your password confidential and separate from your account number and any other information or documents relating to your account. You are responsible for any charges or losses resulting from using your password,

maintaining the security of your password and making sure that only you use it.

RMFI is not responsible for any unauthorized use of an automated service by any other person.

Software The software, including the technology, information and related documents RMFI provides for you to use the automated services belongs to RMFI's affiliates or RMFI. You may use this software only for your own benefit and must take all reasonable measures to make sure that no unauthorized person has access to it. You will return it to RMFI promptly if RMFI asks you to.

You agree to the terms of any software licence agreement provided to you with the software. You may not make any changes, reverse engineer, disclose, lease, loan, duplicate or otherwise reproduce the software, unless RMFI allows it.

RMFI reserves the right to support only the most current release of any computer software or related documents it provides to you relating to the use of any of RMFI's automated services. If you do not accept any software upgrades RMFI provides to you, RMFI may cancel any or all of your automated services without giving you notice.

Accessing RMFI's services You may not:

- enter restricted areas of any of RMFI's computer or telecommunications systems or of any of RMFI's affiliates, or
- perform any functions that are not authorized under this Agreement.

RMFI may:

- suspend your access to an automated service without giving you notice if RMFI believes that you are using it to gain unauthorized access to systems or information or are using it inappropriately. RMFI may restore your access after it reviews the situation,
- cancel your access without giving you notice if RMFI believes that you are using your password, an automated service or information in an unauthorized or inappropriate manner or if there is unusual activity in or relating to your account.

Account aggregation You acknowledge that you will be able to view your RMFI account balances on your Bank Account Balances page of the RBC Online Banking service and that you will be able to sign in, to access both your Royal Bank account(s) and your RMFI account(s) in the same online session.

Placing orders You authorize RMFI to act on all instructions from you or on your behalf, for all orders placed for your account through any automated service. This includes instructions that are said to be from you or on your behalf. You are responsible for making sure that:

- RMFI has received your order, and
- any instructions given for your account or related to an automated service are accurate.

RMFI will verify and approve all orders. RMFI will process an order only if:

- your account is in good order,
- you have enough funds to complete the request, and
- the request is appropriate for your stated objectives and trading practices.

RMFI may require you to confirm the order. RMFI may maintain a database or use another method to keep a record of all your instructions using the automated services.

Recording telephone conversations RMFI may record any telephone conversations between you, your agents, trading authorities or attorneys and RMFI. RMFI may use these recordings to:

- confirm your consent or instructions,
- evaluate the quality of RMFI's service,
- respond to requests from regulators or other persons who have a right to issue requests, or
- make sure RMFI is complying with its policies.

RMFI will:

- make sure the recordings are secure, and
- only allow authorized people or access the recordings for authorized reasons or if required by law, and
- periodically destroy the recordings.

Using information An information provider is any company or person who directly or indirectly provides RMFI with information. This includes securities and market data from stock exchanges and other securities markets.

The information RMFI provides through its automated services:

- has been independently obtained from information providers through sources RMFI believes are reliable, and
- belongs to the information providers. You may use the information only for your own benefit. You may not reproduce, sell, distribute, circulate or commercially exploit it in any way or provide it to any other person without RMFI's written consent.

The information may include views, opinions and recommendations of individuals or organizations that may be of general interest to accountholders. The information providers and RMFI do not:

- endorse any of these views or opinions, or
- guarantee that this information is accurate, complete, timely or in the correct order.

Service modifications and interruptions RMFI may modify any or all of RMFI's automated services without giving notice to you. Any of RMFI's automated services may periodically be unavailable because of maintenance, updates or other reasonable causes, including during periods of increased market activity.

Fees and expenses You may pay certain charges, fees and commissions for accessing and using RMFI's automated services. RMFI may change these charges, fees and commissions by giving you at least 60 days' notice in writing, including through an automated service.

Liability RMFI is not liable:

- to you or any other person for any damages as a result of the use of RMFI's automated services or a device to access RMFI's automated services, or
- for acting or not acting as a result of an error in your order or RMFI not receiving it provided that we have complied with our duties and obligations under applicable securities laws in relation thereto.

Neither RMFI nor its affiliates are responsible for any losses, damages or personal injury that any person suffers as a result of:

- your use of any computer or device to access the automated services, or
- the use or performance of any software RMFI provides provided that we have complied with our regulatory obligations in relation thereto

The information providers and RMFI are not liable:

- to you or any other person for the accuracy, completeness, timeliness or correct order of the information,
- for any decision you make or action you take by relying on any of the information or RMFI's automated services, or
- for any interruption of any data, information or other aspect of the automated services as a result of any negligent act, omission or other cause beyond the reasonable control of the information provider or RMFI. This includes communications or power failures and equipment or software malfunctions.

Ending automated services You can cancel an automated service by giving RMFI 30 days' notice in writing.

RMFI may cancel any of its automated services without giving you notice.

When this Agreement ends, any automated services provided to you will also end.

Consent to transact electronically This section contains important information about electronic signatures and electronic records, and where applicable, receiving legal and regulatory information, if you choose to transact with us electronically.

Acceptance of this notice When you indicate your acceptance by the applicable acceptance method, you confirm that you have reviewed and agree to be bound by this notice. If you are accepting on behalf of someone else, including a corporate entity, you confirm that you have the authority to legally bind that person or entity to this notice. This notice takes effect when you indicate your acceptance.

Electronic Disclosures You consent to receive and retain any applicable legal or regulatory disclosures ("Disclosures") in electronic form, including the Disclosures that we must provide to you

- before opening a plan that will become a registered retirement savings plan (RRSP), registered retirement income fund (RRIF), tax-free savings account (TFSA) or

- any other similar plan, arrangement or fund created under the Income Tax Act (“Registered Plan”), and/or
- before entering into an agreement for a product or service that is or forms part of a Registered Plan, including the disclosure in this Agreement and the Regulatory Disclosure Document.

You can withdraw your consent to receive Disclosures electronically at any time by contacting your mutual funds representative.

Electronic signatures and records

Definition. An “electronic signature” means any electronic information unique to you that you create or adopt to show your acceptance (“your acceptance”) to an agreement, transaction or other document (“Document”). Examples of an electronic signature include an electronic representation of your handwritten signature, inputting an SMS code sent to you by us, or click to “Sign” action, or clicking on an “I Accept” button. “Electronic information” is the record of your client number combined with the session identification number and the date and time stamp associated with the click to “Sign” action. An “electronic record” means any electronic document, disclosure or other information related to your acceptance, including your acceptance itself. An “electronic record” may include an electronic version or copy of a paper record.

Binding Effect. All electronic signatures you use in connection with your acceptance are binding and have the same legal effect as if they were written down and signed on paper. You will not dispute your acceptance on the basis that it was entered into using an electronic signature. Electronic signatures and electronic records satisfy all applicable “signature” and “in-writing” requirements imposed by statute or other legal obligations.

Signature Card. You agree that you adopt the electronic information which will constitute your signature and signature card for the purposes of account opening as created by you by the click to “Sign” action. This electronic information includes the record of your client number combined with the session identification number and date and time stamp associated with the click to “Sign” action.

Correcting Errors. If you want to correct an error in a Document, contact your mutual funds representative.

Decline to Sign. If you do not wish to provide your acceptance or use an electronic signature, you can indicate that you decline to sign using the applicable method. If you decline, you will not be able to proceed with the transaction electronically.

Delivery. Depending on the automated service you are using, after you electronically sign a Document, we will send you a link to the email address you have provided for this purpose, at which link you may access a copy of the signed Document to print and/or download and retain for your records. If more than one person electronically signed a Document, a link will be sent to each of you. Delivery of the Document is deemed to have occurred on the day that a copy is made available to you, and not when you actually review the Document.

You may also print and save a copy of the Document when it is displayed to you through the applicable automated service, or you may contact your mutual funds representative to access a copy.

You have the right under securities legislation to withdraw from the purchase of a mutual fund within a specified period of time after receiving certain offering documentation.

Accordingly, it is your responsibility to monitor Documents you are provided in order to enforce certain rights that you may have under applicable laws (including securities legislation) or other commitments by which we are bound.

Provision of Paper. We may provide you with a paper copy of the Document if we deem it appropriate, or if we are unable to provide you with a copy electronically.

Technical Requirements. Some browsers may not be compatible with the way a Document is displayed. If you are experiencing any problems, please contact your mutual funds representative.

Email Updates. You are responsible for informing your mutual funds representative of any updates to the email address you have provided for receiving any Documents electronically.

Schedule C – RBC Managed Portfolios

Defined terms In this Schedule C, capitalized terms have the same meaning as defined in the Account Agreement unless otherwise defined as follows:

“Agreement” means the Account Agreement provided to you by RMFI including any schedules attached to it and including this Schedule C.

“Grouping” means the process through which clients can reduce the overall fee percentage charged on an individual RBC Managed Portfolio account by combining the market values of multiple RBC Managed Portfolio accounts. To qualify for account grouping, the relationship between account owners must be as follows:

- two or more individuals who reside in the same household and who are relationship managed by the same Financial Planner
- an individual and a non-personal entity with whom the individual is connected by proprietorship or ownership.

“Investment Profile” or “Profile” means one of the distinct Investment Profiles under the RBC Managed Portfolios.

“RBC GAM” means RBC Global Asset Management Inc., an affiliate of RMFI.

“RBC Managed Portfolios” or “RBC Managed Portfolios Program” means the portfolio service distributed by RMFI as more specifically described below.

“RBC Managed Portfolios Account” or “Account” means the account(s) established pursuant to this Schedule C.

About RBC Managed Portfolios RBC GAM has developed a number of Investment Profiles for distribution by RMFI under the RBC Managed Portfolios Program. RBC Managed Portfolios are only available through RMFI. Each Investment Profile has been targeted for clients having a particular

investment objective and risk tolerance. Each Profile is made up exclusively of mutual funds (the “Funds”) qualified under a simplified prospectus.

Each Investment Profile outlines a number of asset classes and a minimum and maximum percentage range in which each particular asset class will be invested. Pursuant to an agreement with RMFI, RBC GAM will manage the Investment Profiles and has the authority to adjust the composition of each asset class within the specified percentage ranges.

The asset classes within each Investment Profile and the minimum and maximum percentages for each asset class cannot be changed without your approval.

In managing the investments in the Investment Profile, RBC GAM will determine from time to time:

- the appropriate target weight for each asset class,
- which Funds to invest in, and
- the appropriate target weight for each selected Fund.

Each Investment Profile may only invest in Funds or cash and cash equivalents.

The investments in each RBC Managed Portfolios Account will be periodically rebalanced by RBC GAM in accordance with the selected Investment Profile. Rebalancing may result in the sale and purchase of Funds. This may result in tax liabilities that you will be responsible for if the Investment Profile is held outside a Registered Plan.

Neither RMFI, RBC GAM nor any of their affiliates guarantee investment results, and past performance may not be repeated.

About the RBC Managed Portfolios process You select the appropriate Investment Profile based on your investment objectives after consultation with your RMFI mutual funds representative.

Your RMFI mutual funds representative will provide you with a description of your selected Investment Profile. It includes the investment objective and investment strategies for that Investment Profile and a table showing the minimum and maximum percentage ranges for each asset class in which RBC GAM may invest your monies under the Profile.

You may change your selected Investment Profile, upon consultation with RMFI, as you deem necessary or desirable based on changes in your financial situation and/or personal circumstances.

All transactions and queries related to your RBC Managed Portfolios Account should be directed to your RMFI mutual funds representative.

The RBC Managed Portfolios Account is not a discretionary account, and no discretionary authority will be accepted by RMFI or RBC GAM with respect to your RBC Managed Portfolios Account.

Your acknowledgements and responsibilities You acknowledge and confirm the following:

- you have received a copy of a document describing your selected Investment Profile,

- you have received or will be provided with a copy of the Fund Facts of the Funds in which your selected Investment Profile is to invest,
- you will not receive trade confirmations in respect of trading activities within your RBC Managed Portfolios Account, but you will be sent quarterly statements. The statement includes a summary of holdings and the activity in your Account during the previous quarter. In addition, you will be sent a performance report and a report on charges and other compensation annually, depending on the activity in your account,
- you have provided accurate and complete information to your RMFI mutual funds representative to assess the appropriateness of the Investment Profile,
- RMFI will assist you in selecting your Investment Profile, and RBC GAM is not responsible for confirming the suitability of your Investment Profile, and
- participating in the RBC Managed Portfolios Program does not provide you with access to the discretionary investment management services of RBC GAM.

Distributions All distributions and any income earned by an RBC Managed Portfolios Account will be paid in cash to the RBC Managed Portfolios Account.

Account Administration Minimums You must invest and maintain a minimum balance of \$10,000 in your RBC Managed Portfolios Account. If your balance falls below the minimum, we may redeem your investment. Additional investments must be a minimum of \$250.

Deposits Your deposits will only be accepted once the application to open an RBC Managed Portfolios Account has been approved by RMFI and subsequent to your selection of an Investment Profile.

Your deposits will be initially invested in cash or cash equivalents and will be invested in accordance with your selected Investment Profile as soon as practicable.

Withdrawals You may request withdrawals from your RBC Managed Portfolios Account (minimum \$250) by contacting your RMFI mutual funds representative. RMFI will advise RBC GAM of your request. RBC GAM will then sell assets from your RBC Managed Portfolios Account on a pro-rata basis in accordance with your selected Investment Profile, as necessary, to fund the withdrawal.

Termination Certain of the Funds may only be held with RMFI through the RBC Managed Portfolios Program. Therefore, upon termination of your RBC Managed Portfolios Account, RMFI may redeem all the Funds in your RBC Managed Portfolios Account.

Death or incapacity Upon your death or incapacity, we will continue to administer your RBC Managed Portfolios Account, and fees will be charged as outlined in this Schedule C until we have received contrary instructions from your duly authorized representative.

Fees and expenses RMFI is authorized to debit from your RBC Managed Portfolios Account the fees outlined below and any expenses outlined in the Agreement.

The total fees payable by you for your RBC Managed Portfolios Account are for investment management provided by RBC GAM and for account administration and advice provided by RMFI as the dealer. Each Fund in the RBC Managed Portfolios Program pays its own operating expenses. Additional information about operating expenses of the Funds can be found in the simplified prospectus of the Funds. There are no sales commissions or trailing commissions payable in respect of the Funds in your Account. There are no fees or expenses payable by you that would duplicate any fees or expenses paid by the Funds. The fee will be calculated and paid monthly in arrears. The monthly fee is based on the net asset value of your RBC Managed Portfolios Account on either:

- (i) the last business day of each full or partial month during which you are in the RBC Managed Portfolios Program, or
- (ii) the closure of your RBC Managed Portfolios Account.

Annual Fee Rates:

Fee Breakpoints	First \$150,000	Next \$100,000	Portion over \$250,000
Cash Flow	1.50%	1.25%	1.00%
Income	1.60%	1.50%	1.00%
Conservative	1.60%	1.50%	1.00%
Balanced	1.80%	1.70%	1.00%
Growth	1.80%	1.70%	1.00%
Aggressive Growth	1.80%	1.70%	1.00%

The minimum annual fee for any RBC Managed Portfolios Account is \$1,250. Clients will only receive fee reductions as a benefit of Grouping for accounts that have a minimum balance of \$150,000.

When calculating the fees payable, RMFI may, in its sole discretion, take into consideration all of the RBC Managed Portfolios Accounts in your Grouping.

Fees are subject to any applicable Taxes. RMFI may increase these fees or introduce new fees from time to time, provided that any change will only be effective with 60 days' prior notice.

Privacy consent By opening an RBC Managed Portfolios Account, you consent to the collection, use and disclosure of your information for the purposes described herein. You understand that upon your request, and if agreed to by RMFI at its discretion, your RBC Managed Portfolios Account may be considered part of a Grouping for the purposes of determining fee rates. You consent to RMFI disclosing your name and/or your anonymized aggregated financial information to any other RBC Managed Portfolio Account holder(s) considered part of your Grouping for purposes of offering and operating your account. You understand that, because RMFI may consider all account balances in your Grouping in determining the fee rate to be charged to each account, any other Grouping member(s) may acquire, or may be deemed to acquire, knowledge of your financial situation (for example, household asset level) and that of any others in your Grouping relating to your RBC Managed Portfolio Account. You also understand that under applicable

laws, RMFI must maintain the privacy and confidentiality of all client information. You waive privacy and confidentiality only as necessary to allow RMFI to report your name and other relevant financial information (i.e., your account balance(s)) to any other account holder(s) considered part of your Grouping for purposes of offering and operating your Accounts.

Relationship with Agreement All information contained elsewhere in this Agreement (excluding Schedule D – RBC Investment Advantage) applies to the RBC Managed Portfolios Program unless indicated otherwise in this schedule. If there is any inconsistency between the provisions in any other part of the Agreement and this Schedule C, the terms of this Schedule C shall prevail.

Schedule D – RBC Investment Advantage

Defined terms In this schedule, capitalized terms have the same meaning as defined in this Agreement unless otherwise defined below:

“Account Fee” means the fee payable to RMFI for your RBC Investment Advantage Account, calculated in accordance with the annual rates set out in this schedule.

“Cash Component” means the cash component of your RBC Investment Advantage Account that is used, amongst other things, to facilitate the collection of Account Fees.

“Grouping” means the process of combining your RBC Investment Advantage Account balance with the account balance(s) of another or other eligible holder(s) of an RBC Investment Advantage Account(s) for Account Fee rate calculation purposes.

Eligible Groupings may include, without limitation, the account balance(s) of any eligible holder(s) within a household, family and/or professional grouping. RMFI will, in its sole discretion, determine which RBC Investment Advantage Account(s) may be eligible for Grouping, and without notice to existing members, add or remove any holder(s) from a Grouping, as necessary or appropriate.

“Inner Circle” is defined as your Grouping.

“RBC Investment Advantage” means a program that helps you and your Inner Circle benefit together through access to benefits such as lower fees.

“RBC Investment Advantage Account” means the fee-based account offered by RMFI excluding Group Savings Plans.

Nature of account Your RBC Investment Advantage Account operates as a fee-based account. Your RBC Investment Advantage Account is not a discretionary or managed account, and your RMFI mutual funds representative is not a portfolio manager with discretionary authority over your RBC Investment Advantage Account.

Statements and confirmations You will be sent quarterly statements. Each statement will include a summary of holdings and the activity in your RBC Investment Advantage Account during the statement period, including cash withdrawals for fee payments, and will identify any Fund redemptions deposited into your Cash Component to

facilitate collection of the Account Fee. You will also receive transaction confirmations for all transactions of your account holdings initiated by you or RMFI. In addition, you will be sent a performance report and a report on charges and other compensation annually, depending on the activity in your account.

Distributions Distributions on Fund units held in Registered Plans/Accounts are always reinvested in additional units of the same Fund held within the Registered Plan. Distributions on Fund units held in accounts that are not Registered Plans/Accounts will be paid to the Cash Component unless you request that they be reinvested in additional units of the same Fund or paid to you in an account other than your RBC Investment Advantage Account. Where distributions are reinvested or otherwise received outside of your Cash Component, the Account Fee will be paid through Fund redemptions as described below.

Minimum assets You are expected to maintain minimum assets of \$250,000 in your RBC Investment Advantage Account, together with any other RBC Investment Advantage Account(s) that RMFI may determine, in its sole discretion, to be within your Grouping. Additionally, you must adhere to all Fund minimum balances and transaction amounts, as set out in each Fund's Fund Facts/simplified prospectus.

If your consolidated group account balance falls below the minimum threshold, RMFI may determine, in its sole discretion, that you no longer qualify for an RBC Investment Advantage Account, such that you may be required to switch your Fund holdings to a different series and/or account type.

RMFI may, in its sole discretion, allow you to open additional RBC Investment Advantage Accounts and adjust your Account Fee based on the total assets in any such additional accounts.

Permitted holdings Your RBC Investment Advantage Account may hold Series F, Series FZ and Series FT5 Funds managed by RBC GAM, qualified under a simplified prospectus, and made available by RMFI. RMFI reserves the right to prohibit or restrict other types of trading in your RBC Investment Advantage Account as RMFI may determine, in its sole discretion.

Generally, the product level costs charged directly for Series F, FZ and FT5 Fund units you hold within your RBC Investment Advantage Account are lower when compared with the product level costs of Series A, AZ and T5 Fund units you may hold in other RMFI accounts. However, this savings may or may not result in overall lower fees in your account because of the Account Fee. Any potential for cost savings depends on the specific mutual funds you have purchased, the total Grouping balance within your RBC Investment Advantage Account and the tax rates applicable to your province of residence. For more information, please speak to your RBC advisor.

As part of the RBC Investment Advantage Account, RMFI will, as your nominee, establish a Cash Component on your behalf, and for a Registered Plan, on behalf of Royal Trust as trustee. Your monthly RBC Investment Advantage Account fees and charges will be withdrawn from the Cash

Component as described further below. Interest paid on cash held in your Cash Component is as described elsewhere in this Agreement.

Account fees and other charges You, and for a Registered Plan, Royal Trust as trustee, will compensate RMFI monthly with the Account Fee for the services provided by RMFI in connection with your RBC Investment Advantage Account. Your Account Fee will be calculated monthly by RMFI as per the annual fee rate.

It will be denominated in the currency of such account. The Account Fee is subject to any applicable Taxes. The Account Fee does not include any other fees or charges you are responsible for including, without limitation, any administrative fees and any applicable commissions referred to elsewhere in this Agreement.

Upon the closure of your RBC Investment Advantage Account, the final Account Fee payment will be pro-rated to the date of closure.

Each Fund in the RBC Investment Advantage Account pays its own operating expenses. Additional information about operating expenses of the Funds can be found in the simplified prospectus applicable to the Fund. There are no sales commissions or trailing commissions payable in respect of the Series F, Series FZ and Series FT5 Funds that may be held in your RBC Investment Advantage Account.

There are no fees or expenses payable by you relating to your RBC Investment Advantage Account that would duplicate any fees or expenses paid by the Funds.

Annual fee rates The Account Fee is based on a tiered scale that offers you a lower fee rate when you hold a higher balance within your RBC Investment Advantage Account. The Account Fee is calculated based on the higher of the average daily balance or the net contribution value of your or your Grouping's RBC Investment Advantage Account(s). If market volatility causes your account value to drop below the net contribution value, your account fee will not increase. However, if your account fee rate has decreased due to capital gains, and your account value drops due to market volatility, your account fee rate may increase to a previous tier, which is calculated based on the higher of the average daily balance or the net contribution value of your or your Grouping's RBC Investment Advantage Account(s).

The balance within your RBC Investment Advantage Account is calculated based on all the assets in your RBC Investment Advantage Account. Similarly, any Grouping balance is calculated based on all the assets in your and all other RBC Investment Advantage Accounts within the Grouping.

The applicable annual fee rate is charged only on the Series F, Series FZ and Series FT5 assets in your RBC Investment Advantage Account. The same rate applies to the Series F, Series FZ and Series FT5 assets in all other RBC Investment Advantage Accounts in your Grouping.

The following fee rate schedule applies to your RBC Investment Advantage Account:

	Applicable Annual Rate
Balances less than \$250,000	1.00%
Balances of \$250,000 to \$399,999	0.85%
Balances of \$400,000 to \$549,999	0.83%
Balances of \$550,000 to \$699,999	0.80%
Balances of \$700,000 to \$899,999	0.77%
Balances of \$900,000 to \$999,999	0.73%
Balances of \$1,000,000 to \$1,499,999	0.60%
Balances of \$1,500,000 and over	0.50%

Fees are subject to any applicable Taxes. RMFI may increase these fees or introduce new fees from time to time, provided that any change will only be effective with 60 days' prior notice.

Account grouping fee rates If your RBC Investment Advantage Account is eligible for Grouping with other RBC Investment Advantage Account holders, the same Account Fee rate will be applied to each account in the Grouping, and will be calculated based on the total consolidated account balance of all RBC Investment Advantage Accounts within the Grouping.

Privacy consent By opening an RBC Investment Advantage Account, you consent to the collection, use and disclosure of your information for the purposes described in this consent.

You understand that upon request of an eligible holder, and if agreed to by RMFI at its discretion, your RBC Investment Advantage Account may be considered part of a Grouping including, without limitation, any account(s) held by any others in your household, family and/or within a professional grouping for the purpose of determining fee rates. You consent to RMFI disclosing your name and/or your anonymized aggregated financial information to any other RBC Investment Advantage Account holder(s) considered part of your Grouping for purposes of offering and operating your account. You understand that, because RMFI considers all account balances in your Grouping in determining the fee rate to be charged to each account, any other Grouping member(s) may acquire, or may be deemed to acquire, knowledge of your financial situation (for example, household asset level) and that of any others in your Grouping relating to your RBC Investment Advantage Account.

You also understand that under applicable laws, RMFI must maintain the privacy and confidentiality of all client information. You waive privacy and confidentiality only as necessary to allow RMFI to report your name and other relevant financial information (i.e., your account balance(s)) to any other account holder(s) considered part of your Grouping for purposes of offering and operating your Accounts.

Authorization for payment of fees You authorize RMFI, and for a Registered Plan/Account, Royal Trust as trustee, to make monthly deductions from your Cash Component in payment of all fees and charges associated with the service and operation of your RBC Investment Advantage Account, including the Account Fee. You acknowledge that monthly payments for fees and charges will be debited from your Cash Component as of the last business day of each month.

This authority is to remain in effect until RMFI has received written notification from you that it has been changed or terminated, or in the event that your RBC Investment Advantage Account is closed.

The amount of the automatic monthly withdrawal from your Cash Component for the payment of fees and charges may vary from month to month. In accordance with the rules of the Canadian Payments Association, you agree with RMFI to waive any right to a notification period for variable amount withdrawals from your Cash Component.

To the extent there are insufficient funds in your Cash Component to cover the fees and charges for a given month, you authorize and direct RMFI to give instructions on your behalf, and for a Registered Plan/Account, on behalf of Royal Trust as trustee, to RBC GAM, the manager of your Fund holdings, to redeem Fund units in your RBC Investment Advantage Account for the purpose of covering the shortfall. Furthermore, you authorize and direct RBC GAM to accept any such instructions given by RMFI, and to deposit into your Cash Component the proceeds of any such redemptions.

No short-term trading fees will be imposed on such redemptions. When required, these redemptions will be conducted from your holdings of (in order of redemption) RBC GAM mutual funds, according to a pre-determined schedule based on the following Fund categories (in order of redemption): money market, fixed-income, balanced, Canadian equity, North American equity, U.S. equity, international equity and global equity. Individual Funds will be redeemed based on the order in which they appear within a particular Fund category in the applicable simplified prospectus.

No further authorization or instruction from you is required for the purpose of making these redemptions. However, this authorization is intended to create a form of limited agency. It does not give RMFI unlimited authority or the right to conduct discretionary trading on your behalf. Furthermore, RBC GAM will rely upon these instructions to make redemptions from your account holdings solely for fee collection and for no other purpose.

Depending on your circumstances, your account fee may be tax deductible. However, redemptions may result in tax liabilities that you will be responsible for if your RBC Investment Advantage Account is held outside a Registered Plan. You should consult with a professional tax advisor on all matters relating to taxation of your investments.

Death or incapacity Upon your death or incapacity, RMFI will continue to administer your RBC Investment Advantage Account, and fees will be charged as outlined in this schedule until RMFI has received contrary instructions from your duly authorized representative, and for a Registered Plan/Account, from Royal Trust as trustee.

Relationship with this Agreement All information contained elsewhere in this Agreement (excluding *Schedule C – RBC Managed Portfolios Program*) applies to the RBC Investment Advantage Account unless indicated otherwise in this schedule. If there is any inconsistency between the provisions in any other part of this Agreement and this *Schedule D*, the terms of this *Schedule D* shall prevail.

RBC Royal Bank Telephone Banking: call 1-800-463-3863



Regulatory Disclosure Document



Royal Mutual Funds Inc. (RMFI, we, our or us) has prepared this regulatory disclosure document (RDD) to provide you with certain required disclosures and information relating to actual and potential material conflicts of interest and our relationship with you, including our products and services, the nature of your account(s) and certain responsibilities as follows:

- Part A: RMFI Conflicts of Interest Disclosure
- Part B: Relationship Disclosure Information

This RDD is important for you to read and understand, and does not create or modify any agreement, relationship or obligation between you and RMFI. These disclosures and the obligations giving rise to them are part of our regulatory obligations and do not form part of your Account Agreement or, if applicable, Financial Planning Agreement. If you have any questions about this RDD, please contact your mutual funds representative.

Part A: RMFI Conflicts of Interest Disclosure

Below is information relating to the existing and reasonably foreseeable material conflicts of interest that may affect your interests as our client, including how we address material conflicts of interest in the best interest of our clients. Please contact your mutual funds representative with any questions about these disclosures, or how they may relate to your investment plan.

Should any additional material conflicts of interest be identified either after you receive this disclosure or after account opening, as applicable, we will inform you in a timely manner.

It is important you read the disclosure below to understand the nature and extent of the material conflicts of interest and any potential impact and risks to you. This updated disclosure is also available at rbc.com/rmfidisclosures/.

New clients of Royal Mutual Funds Inc. (RMFI) are provided with this disclosure before opening an account. These disclosures and the obligations giving rise to them are part of our regulatory obligations and do not form part of your Account Agreement.

A conflict of interest may arise where

- RMFI or a mutual funds representative has separate business or personal interests that differ from a client's interests,
- RMFI or a mutual funds representative may be influenced to put their own interests ahead of a client's interests,
- Monetary or non-monetary benefits or disadvantages to RMFI or a mutual funds representative might compromise a reasonable client's trust,
- There are differing interests amongst clients, resulting in preferential treatment for some in the operation and management of their account and execution of trades.

Generally, a conflict of interest is material if the conflict may be reasonably expected to influence either your decisions as a client or RMFI or its mutual funds representatives' recommendations or decisions in the circumstances.

RMFI seeks to identify and address material conflicts of interest through policies and procedures, including the RBC Code of Conduct, which requires representatives to avoid any situation in which their personal interests conflict or appear to conflict with their duties as a mutual funds representative. The policies and procedures and the RBC Code of Conduct are applicable to RMFI's representatives and do not form part of, nor are they incorporated into, our Account Agreement. RMFI's policies and procedures also include a broad definition of "conflicts of interest", a defined escalation procedure for conflict handling, a clear delineation of responsibilities between RMFI and its mutual funds representatives, the appropriate resources, independence and authority for the Chief Compliance Officer and other internal control functions to address conflicts of interest, regular internal reporting and periodic testing of the conflicts management framework. RMFI has a system for confirming that material conflicts of interest are disclosed to clients.

Information about how we manage material conflicts of interest

1. Relationship between Royal Mutual Funds Inc. (RMFI) and other RBC Companies

Managed through policies and procedures, including confidentiality policies.

We are a member of the Royal Bank of Canada group of related companies (RBC Companies). The Royal Bank of Canada (Royal Bank) is a chartered Canadian bank, operating through branches and other channels across Canada. We and our affiliated financial services firms are directly or indirectly owned by Royal Bank, and we are all members of the Royal Bank of Canada group of companies. We are separate entities from each other, with information barriers and tailored compliance systems. In the course of providing services to you, we may from time to time enter into transactions or arrangements with other RBC Companies or accept services from other RBC Companies or other persons or companies which are related or connected to us.

Royal Bank holds, directly or indirectly, all of the outstanding shares of RMFI.

Royal Bank is a reporting issuer under applicable securities laws and is a related issuer of RMFI.

RMFI may receive from or provide to Royal Bank and its subsidiaries management, administrative, referral and/or other services relating to ongoing business activities or transactions. Certain legislative and industry regulatory requirements apply to these relationships. These requirements impose restrictions on dealings between related registered companies and are intended to minimize the potential for conflicts. RMFI has adopted internal policies and procedures in addition to these requirements, including policies on confidentiality of information.

Our membership in the group of RBC Companies, together with the transactions and arrangements we make with other members of the group of RBC Companies, will give rise to conflicts of interest, and we have adopted policies and procedures to identify and respond to these conflicts. We will only enter into these transactions or arrangements where they are permitted under applicable securities laws.

In all cases, we recognize that the conflicts arising from transactions with our affiliates raise perceptions that we will favour the business interests of the various RBC Companies, so that you may have concerns about those products and services we provide you that are sourced from or provided by those RBC Companies.

We and the other RBC Companies, like other financial services firms, are commercial businesses and seek to provide shareholder value, while also providing fair, honest and suitable products and services to our clients. We are compensated by selling products and services to you for which you pay us. We may also earn revenue from other sources, including from our affiliates, some of which may be seen as involving a conflict of interest or potential conflict of interest.

Royal Bank is also the principal shareholder of certain registrants, including RBC Dominion Securities Inc., RBC Direct Investing Inc., RBC Phillips, Hager & North Investment Counsel Inc., RBC Private Counsel (USA) Inc., RBC InvestEase Inc., RBC Global Asset Management Inc., RBC Global Asset Management (U.S.) Inc., RBC Capital Markets Corporation, Phillips, Hager & North Investment Funds Ltd., and RBC Securities Australia Pty Limited.

Certain directors and officers of RMFI are also directors and officers of one or more of the above affiliates. RMFI, Royal Trust Corporation of Canada and The Royal Trust Company are separate corporate entities and are affiliated.

2. Sale of proprietary products

Managed through the product due diligence review process, which includes evaluating the competitiveness of RBC GAM mutual funds compared to other mutual funds available in the Canadian retail market, compensation plan review process, disclosures and reporting to clients, transaction suitability checks, recommendation review with clients, and a services agreement with RBC GAM.

It is a conflict of interest for RMFI to sell proprietary products and products and services of related and connected issuers, including mutual funds manufactured and managed by our affiliate, RBC Global Asset Management Inc. (RBC GAM). In addition, non-monetary benefits and cooperative marketing and sales practices also give rise to conflicts of interest.

As a mutual fund dealer and principal distributor of RBC GAM mutual funds, we exclusively offer proprietary products to clients, which include a broad range of RBC Funds® and PH&N Funds. RMFI also makes available to clients guaranteed investment certificates and high interest bearing savings accounts offered by RBC.

In addition, financial planning (provided to certain RMFI clients), retirement planning and investment advice are provided through RMFI. The selection of mutual funds and the type of investment and financial planning services

available to you depend on your particular circumstances and investment needs, which may change over time. The products or services you may receive from RMFI may vary depending on whether you choose online or in-person services and whether you are meeting with a Banking Advisor, Financial Advisor, Financial Planner or one of our mutual funds representatives in another role.

Our suitability determination will not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse, or equal in meeting a client's investment needs and objectives.

- Related and connected issuers – Because RMFI distributes RBC GAM mutual funds, it makes securities of related and connected issuers available to you. An issuer of securities is “related” to RMFI if, through the ownership, direction or control of voting securities, RMFI exercises a controlling influence over that issuer, or that issuer exercises a controlling influence over RMFI, or the same third party exercises a controlling influence over both RMFI and the issuer. An issuer is “connected” to RMFI if, due to indebtedness or other relationships, a prospective purchaser of securities of the connected issuer might question RMFI’s independence from the issuer.

RBC mutual funds are manufactured and managed by RBC GAM, are offered through RMFI and are connected issuers of RMFI.

- Non-monetary benefits – As principal distributor of the RBC GAM mutual funds, RMFI receives services and investment and client reporting tools from RBC GAM, which provide analysis and investment portfolio proposals that include certain RBC GAM mutual funds. RMFI leverages these tools in making investment recommendations to clients. RBC GAM also provides certain training for representatives.
- Cooperative marketing practices – RMFI and RBC GAM engage in cooperative marketing practices because of RMFI’s role as principal distributor of the RBC GAM mutual funds.
- Conflicts of interest within the RBC GAM mutual funds – RBC GAM manages the conflicts of interest it has as a manager of the RBC GAM mutual funds, including causing such funds to invest in securities issued by other RBC Companies or investing in securities underwritten by dealers that are part of the group of RBC Companies, in the best interests of the applicable funds, and obtaining approvals and positive recommendations from the Independent Review Committee (IRC) for the funds, as appropriate, before taking such actions. The conflicts of interest considered by the IRC for the RBC GAM mutual funds are disclosed in the IRC’s annual report to unitholders, which is available on the RBC GAM website.
- Revenues generated for each of RBC GAM as manager of the RBC GAM mutual funds – RBC GAM receives management fees for its management of the RBC GAM mutual funds. The management fee covers costs associated with managing the day-to-day business of the RBC GAM mutual funds and managing the investment portfolio of the RBC GAM mutual funds which may include equities, fixed income and other RBC GAM mutual funds. Since management fees are based on the amount of assets invested in RBC GAM, your investment in an RBC GAM mutual fund will generate revenues for RBC GAM mutual fund. RBC GAM pays part of its management fee as a trailing commission to RMFI for distribution services. These fees and trailing commissions are disclosed in the simplified prospectuses of the RBC GAM mutual funds.

3. Referral fees

Managed through allowing only approved referral arrangements, confirmation that a referral is in the client’s best interest, disclosures and documenting all referrals in the RBC Referral Management System.

Conflicts arise with representatives receiving referral fees for referring clients to another RBC Company for products and services not offered through RMFI. Referral fees are not paid by you.

As a result of a referral arrangement, RMFI and its mutual funds representatives who refer a client to another RBC Company may have a conflict of interest between their own financial interests and your interest in being referred to the appropriate other RBC Company for the type of investment services that you have requested, or for services that we think may be of interest to you.

See *Referral arrangements* below for further details about referral fees paid by Royal Bank of Canada and the securities registrants involved to better help you evaluate our referral arrangements with our affiliates.

4. Account type offering

Managed through account type suitability assessment and appropriateness considering a client’s investment needs and objectives, tools and controls for clients to assess the benefits of trailing commission-based versus fee-based accounts for their particular situation, and policies and procedures.

Conflicts may arise from offering both fee-based accounts with ongoing account fees and accounts with trailing commission-paying mutual funds.

5. Internal compensation arrangements and incentives

Controls designed to manage this conflict include commission caps, process controls, alignment with representatives' work effort and complexity of advice, regular compensation review, suitability reviews, performance reviews of representatives, Referral Management System, and controls such as sample monitoring for identifying advisor variance from ordinary product distribution mix.

Our registered representatives receive remuneration from Royal Bank, which may be comprised of base salary, base salary and variable compensation or all variable compensation (for registered representatives that are Investment Retirement Planners). Our registered representatives may receive certain incentives where higher compensation is linked to a combination of factors including product type, account balance, investment amount, revenue/sales targets, commissions, product complexity and advice, client experience, manager's production commission, team achievements, novelty of clients to RMFI, novelty of client assets to RMFI, and referrals, as applicable, which may influence a registered person or manager of registered persons, such as Investment Retirement Planners, to act in various self-interested ways. Examples include recommending a product that will result in more compensation as opposed to an equivalent (or better) product that more closely meets the client's investment needs and objectives, or is in the client's best interest, or encouraging clients to invest more money in their account or seeking to generate as much client business as possible in order to receive additional compensation. More examples of these types of incentives include contests, promotional activities, events and charitable donations with tax benefits to representatives.

6. Gifts and entertainment

Managed through value limits, prior approvals, and policies and procedures for eligibility, disclosure, prohibitions, and tracking.

Gifts and entertainment from clients, third parties or other employees may influence representatives or compromise their judgement.

7. Outside activities

Managed through approvals, disclosures, policies and procedures, annual acknowledgement, and in some cases, prohibitions.

Outside activities (including external and cross-directorships with subsidiaries/affiliates and other gainful employment) that are for direct or indirect payment may give rise to insider trading opportunities, access to material non-public information, personal or professional financial dealings, and potential financial control and privacy concerns.

8. Representatives' personal financial dealings with clients

Managed through training and policies generally prohibiting representatives from accepting appointments of fiduciary roles (e.g., power of attorney, mandataire, executor, trustee, administrator, liquidator) or inheritances from a client.

Examples include lending, borrowing, private investment schemes, purchasing a client's assets, or sharing an account with a client like an investment club, and may include non-monetary benefits.

9. Servicing clients undergoing relationship breakdown

Managed through disclosures, client consent, policies and procedures.

If spouses or common law partners who are undergoing a separation or divorce wish to continue to work with their existing financial planner or mutual funds representative, the potential competing interests between spouses or partners in a relationship breakdown could give rise to an actual or perceived conflict of interest, which may impact the advisor's ability to provide services to one or both clients.

10. Spread on interest rates

Managed through disclosures and interest rate adjustments

We and/or our affiliates may earn interest or revenue on the cash balances in your account and may retain excess amounts over the amount of interest that you are paid, if any.

We and our affiliates, as applicable, address this conflict as follows: (1) interest rates are adjusted from time to time based on various factors, including, but not limited to, market analysis, Bank of Canada and other bellwether rates, and/or cash rates; and (2) interest rates are disclosed to you.

11. Recommendations to Borrow to Invest (Leverage)

Managed by separate suitability assessment for leverage strategies, procedures and training for representatives on assessing client suitability for leverage strategies, recommendation of leverage for certain account types are limited to certain registered representative roles, pre-approval of recommended leverage strategies and supervision of leveraged transactions, disclosure of potential risks and costs associated with leverage strategies.

Our representatives may recommend leverage strategies to clients, which involves the use of borrowed money to finance the purchase of investments. Conflicts of interest arise, as in recommending leverage strategies, representatives may be motivated by additional compensation earned from the sale of RMFI investment products.

Referral arrangements

RMFI and its mutual funds representatives receive referral fees from Royal Bank of Canada for referring clients to another party, including other parties within the group of RBC Companies. The details of our existing referral arrangements are described in this document, including:

- the fees we may receive, a portion of which may be allocated to our mutual funds representatives; and
- the fees our mutual funds representatives may receive directly.

Referral fees are not paid by you.

To the extent we have a referral arrangement with another party that is not described below, we will provide you with appropriate disclosure of the referral arrangement before we make any referral to you. Our mutual funds representatives may receive compensation in the form of referral fees from the following RBC Companies, for referring clients to those companies (or an affiliate, as applicable) for products or services, under a written referral agreement with RMFI:

- **RBC Dominion Securities Inc.** (RBC Dominion Securities®), a registered investment dealer under Canadian securities regulations, providing full service or discretionary investment advice on a broad product shelf not offered through RMFI, including advice in respect of stocks and bonds. Royal Bank of Canada (a financial institution providing a broad range of banking and financial services) and RBC Private Counsel (USA) Inc. (a company incorporated under the laws of Canada and registered with the United States Securities and Exchange Commission as a foreign resident investment adviser) (RBC PC USA) are each also a party to this referral agreement, to reflect the payment of referral fees by RBC Dominion Securities on behalf of RBC PC USA for referrals to RBC PC USA of clients resident or domiciled in the United States (as applicable) for products and services offered by RBC PC USA.
- **RBC Direct Investing Inc.** (RBC Direct Investing®), a registered investment dealer under Canadian securities regulations, providing order execution only investment services not offered by RMFI, where clients can transact without any investment advice and suitability determination provided by RBC Direct Investing. Royal Bank of Canada is also a party to this referral agreement.
- **RBC InvestEase Inc.** (RBC InvestEase®), a registered discretionary portfolio manager under Canadian securities regulations, providing discretionary portfolio management services not offered through RMFI. Royal Bank of Canada is also a party to this referral agreement.
- **RBC Phillips Hager & North Investment Counsel Inc.** (PH&N Investment Counsel), a registered discretionary portfolio manager under Canadian securities regulations, providing discretionary portfolio management services not offered through RMFI to high net worth and ultra-high net worth clients. Royal Bank of Canada and RBC PC USA are each also a party to this referral agreement to reflect the payment of referral fees by PH&N Investment Counsel on behalf of RBC PC USA for referrals to RBC PC USA of clients resident or domiciled in the United States (as applicable) for products and services offered by RBC PC USA.
- **Phillips Hager & North Investment Funds Ltd.** (PH&N Investment Services®), a registered mutual fund dealer under Canadian securities regulations, providing mutual fund investment advice for certain clients in specific circumstances based on the particular client's needs or preferences. Royal Bank of Canada is also a party to this referral agreement.
- **Royal Trust Corporation of Canada / The Royal Trust Company** (Royal Trust®), a trust company, not registered under Canadian securities regulations, providing various trust and wills and estates related services to clients. Royal Bank of Canada is also a party to this referral agreement.
- **Royal Bank of Canada**, specifically in respect of its Group Advantage business segment, providing group savings products for business owners and their employees.

RMFI and each RBC Company are separate, affiliated corporations. It is illegal for anyone receiving a referral fee to trade in or advise on securities if that person is not licensed or registered to do so under applicable securities legislation. Where a referral is made to a securities registrant, all activity requiring registration resulting from the referral arrangement will be provided by the registrant receiving the referral.

Current Referral Fees Paid for Referring Clients to Another RBC Company			
	If your registered representative is an Investment Retirement Planner	If your registered representative is a Financial Planner	If your registered representative is a Private Banker
RBC Dominion Securities	<ul style="list-style-type: none"> 25% of the actual first year revenue in connection with your RBC Dominion Securities or RBC PC USA account, as applicable 	<ul style="list-style-type: none"> 25% of the actual first year revenue in connection with your RBC Dominion Securities or RBC PC USA account, as applicable 	<ul style="list-style-type: none"> 25% of the actual first year revenue in connection with your RBC Dominion Securities or RBC PC USA account, as applicable
RBC Direct Investing	<ul style="list-style-type: none"> \$100 – if you have a balance between \$500 and \$30,000 in investable assets transferred from a third party 35 basis points, up to a maximum of \$15,000, if you have a balance greater than \$30,000 in investable assets transferred from a third party 	<ul style="list-style-type: none"> \$100 – if you have a balance between \$500 and \$80,000 in investable assets transferred from a third party 12.5 basis points, up to a maximum of \$15,000, if you have a balance greater than \$80,000 in investable assets transferred from a third party \$100 – if you have a balance between \$500 and \$200,000 in investable assets transferred from an RBC account 5 basis points, up to a maximum of \$15,000, on your RBC account assets if you have a balance greater than \$200,000 in investable assets 	<ul style="list-style-type: none"> If you have a minimum of \$50,000 in external assets only, the greater of \$250 or 15% of the estimated first year revenue for your account to a maximum of \$10,000 per household per rolling 12 months

Current Referral Fees Paid for Referring Clients to Another RBC Company

	If your registered representative is an Investment Retirement Planner	If your registered representative is a Financial Planner	If your registered representative is a Private Banker
RBC InvestEase	<ul style="list-style-type: none"> ■ \$100 – if you have a balance between \$500 and \$30,000 of investable assets transferred from a third party ■ 35 basis points, up to a maximum of \$15,000, if you have a balance greater than \$30,000 in investable assets transferred from a third party 	<ul style="list-style-type: none"> ■ \$100 – if you have a balance between \$500 and \$80,000 in investable assets transferred from a third party ■ 12.5 basis points, up to a maximum of \$15,000, if you have a balance greater than \$80,000 in investable assets transferred from a third party ■ \$100 – if you have a balance between \$500 and \$200,000 in investable assets transferred from an RBC account ■ 5 basis points, up to a maximum of \$15,000, on your RBC account assets if you have a balance greater than \$200,000 in investable assets 	<ul style="list-style-type: none"> ■ No referral fees
PH&N Investment Counsel	<ul style="list-style-type: none"> ■ 25% of the actual first year revenue in connection with your PH&N Investment Counsel or RBC PC USA account, as applicable 	<ul style="list-style-type: none"> ■ 25% of the actual first year revenue in connection with your PH&N Investment Counsel or RBC PC USA account, as applicable 	<ul style="list-style-type: none"> ■ 25% of the actual first year revenue in connection with your PH&N Investment Counsel or RBC PC USA account, as applicable
Royal Trust	<ul style="list-style-type: none"> ■ 10% of the estimated fee for immediate revenue estate services, to a maximum payment of \$25,000 	<ul style="list-style-type: none"> ■ No referral fees 	<ul style="list-style-type: none"> ■ No referral fees
PH&N Investment Services	<ul style="list-style-type: none"> ■ \$50 – if you have a balance of between \$15,000 and \$49,999.99 in investable assets ■ 35 basis points on your account assets, up to a maximum of \$3,000, if you have a balance of \$50,000 or more in investable assets 	<ul style="list-style-type: none"> ■ 12.5 basis points on your account assets transferred from a third party if you have a minimum balance of \$50,000 in investable assets, up to a maximum of \$15,000 ■ 5 basis points on your RBC account assets if you have a minimum balance of \$50,000 in investable assets, up to a maximum of \$15,000 	<ul style="list-style-type: none"> ■ If you have a minimum of \$50,000 in external assets only, the greater of \$250 or 15% of the first year revenue for your account to a maximum of 20 basis points or \$10,000

Current Referral Fees Paid for Referring Clients to Another RBC Company			
	If your registered representative is an Investment Retirement Planner	If your registered representative is a Financial Planner	
Royal Bank of Canada, Group Advantage business segment	<ul style="list-style-type: none"> ■ 50 basis points on investable assets, up to a maximum of \$50,000 per Group Sponsor, if the Group plan is a Defined Contribution Pension Plan (DCPP) ■ \$200 – if the Group plan is a Voluntary Retirement Savings Plan (VRSP) 	<ul style="list-style-type: none"> ■ No referral fees 	<ul style="list-style-type: none"> ■ 50 basis points on investable assets in a Group plan with a minimum asset balance of \$100,000, up to a maximum payout of \$10,000

Part B: Relationship Disclosure Information

We have prepared this relationship disclosure information to provide you with a description of various matters relating to our relationship with you, including the nature of our advisory relationship, our product and service offering, suitability and Know-Your-Client (KYC) information and reporting obligations.

Should there be a significant change to the relationship disclosure information previously provided to you, we will inform you in a timely manner.

Products and services

RMFI is registered under Canadian securities laws in the category of mutual fund dealer and is regulated under the rules and oversight of the Canadian Investment Regulatory Organization (CIRO). Under this registration, RMFI may act as a dealer in respect of securities of mutual funds but is not permitted to offer individual stocks or bonds to clients. RMFI is licensed as a financial services firm in the province of Quebec.

RMFI exclusively offers proprietary products to clients and is the principal distributor of certain mutual funds managed by its affiliate, RBC Global Asset Management Inc. (RBC GAM).

As such, we make a broad range of RBC GAM mutual funds available to our clients.

GICs and other types of Royal Bank of Canada bank products may also be distributed through RMFI. Because of our association with the Royal Bank of Canada, we do not offer investment products of entities unrelated to us. See Part A: RMFI Conflicts of Interest Disclosure for more information on how we address the conflicts associated with the sale of proprietary products. Speak to your mutual funds representative should you be interested in holding third party mutual funds or other types of products not made available through RMFI.

In addition, financial planning (provided to certain RMFI clients), retirement planning and investment advice may be provided through RMFI. RMFI also offers a portfolio monitoring service (drift notification and rebalancing) that lets you authorize RMFI to monitor and rebalance your account based on your instructions relating to target mutual fund allocation, monitoring start date, drift threshold and frequency. See your Account Agreement or speak with a mutual funds representative for more information about this service in your particular circumstances.

The selection of mutual funds and the type of investment and financial planning services available to you depend on your particular circumstances and investment needs, which may change over time. The products or services you may receive from RMFI may vary depending on whether you choose online or in-person services and whether you are meeting with a Banking Advisor, Financial Advisor, Financial Planner or representative in another role.

There may be certain fees, costs and charges applicable to the products, services and account types we offer, including in connection with the mutual funds or other investment products you hold in your account(s). See Fees and charges below for more information.

Generally, the investments that we recommend to you can be readily liquidated or redeemed, as applicable. Mutual funds purchased from or through us and held in your account(s) are not insured by the Canada Deposit Insurance Corporation, the Autorité des marchés financiers (Quebec regulator) or any other government deposit insurer, and the value of the mutual funds is not guaranteed by any RBC Company or other Canadian financial institution and may fluctuate in value.

Nature of advisory relationship

When any of RMFI's mutual funds representatives are involved in any mutual fund or investment related discussions or activity, including financial planning, they are acting on behalf of RMFI. Any other of their activities at Royal Bank of Canada or other activities unrelated to RMFI are neither the responsibility nor the business of RMFI.

Although you may rely on the advice provided to you by RMFI mutual funds representatives, you are ultimately responsible for making your own investment decisions. RMFI is responsible for ensuring that the advice provided to you is suitable based on your stated investment needs and objectives using the information that you have provided to us upon account opening and any updated information you have provided to us. In making recommendations to you, your mutual funds representative will put your interests first.

Types of accounts

Your account type depends on the products and services you have with RMFI, and whether you have a registered plan or non-registered investments. Your account is not a discretionary or managed account and your RMFI mutual funds representative will not have discretionary authority over your account.

RMFI may receive trailing commissions on the mutual funds you hold with RMFI. You will find additional details regarding fees and costs associated with any particular mutual fund and any minimum balance and/or transaction amounts in the Fund Facts/simplified prospectus that applies to the mutual fund. RMFI may also receive trailing commissions on investment savings accounts. See your Account Agreement for the terms and conditions relating to our account types, including any account level fees payable to RMFI for a fee-based account(s) and other details such as the minimum account size. Please ask your mutual funds representative for more information about our account types.

Important Know-Your-Client (KYC) terms and definitions

In order to conduct suitability assessments for your account(s), Canadian securities laws require RMFI to fully understand, among other things, your financial circumstances, investment needs and objectives, investment knowledge and risk profile. This is called "Know-Your-Client" (KYC) information.

To ensure we have sufficient KYC information about you to meet our suitability obligation, we ask you to provide us with your accurate and current personal and financial information as part of the account opening process. RMFI will collect your information to establish your investment needs in order to make suitable investment recommendations, and will regularly update this information upon becoming aware of any significant changes or inaccuracies in your KYC information, which you have notified us of. We will remind you at least annually to tell us about any changes in your KYC information. We will also contact you to review your KYC information and investment suitability at least once every 36 months.

A document setting out your KYC information you provided to us will be given to you under certain circumstances, including at the time of account opening and when a significant change in your KYC information has come to our attention. You should review that document carefully and advise us promptly if any of the KYC information is not accurate. You have agreed to notify us as soon as possible of any change to such information.

Summarized below are some of the most important terms and definitions used during this process.

Investment objectives The investment objective is the overall goal for an investment account throughout the entire investment time frame. For example, safety, income and/or capital gains.

Secure: The safety and security of the investments is the highest priority. An investor is willing to accept a lower rate of return in exchange for predictable earnings, and may require only modest income from the investments. An example of an investment is a Money Market Fund.

Very Conservative: Some safety and security of the investments are priorities. An investor is willing to accept small fluctuations in the value of the capital, and may require income from the investments. Examples of investments are Bond Funds and Income Funds.

Conservative: An ability to accept moderate fluctuations in the value of the investments. An investor may require income, but is also interested in the potential for some capital growth in the investments. Examples of investments are Income Funds and Balanced Funds.

Balanced: A balanced combination of income and moderate capital growth. An investor can accept fluctuations in the value of the investments for the potential of higher returns. An example of investments is a mixture of Income, Balanced and Equity Funds.

Growth: Capital growth of the investments is the priority. An investor is willing to accept considerable fluctuations in the value of the investments in exchange for the potential of capital growth. An example of investments is Equity Funds.

Aggressive Growth: Maximizing capital growth of the investments is the priority. An investor is willing to accept significant fluctuations in the value of the investments for the potential of higher capital growth. An example of investments is sector-specific Equity Funds.

Investment knowledge Your investment knowledge is your understanding of investing, investment products and their associated risks. This includes your understanding of financial markets, the relative risk and limitations of various types of investments, and how the level of risk taken affects potential returns, and previous experience with investments and financial matters.

Limited: An investor with little or no investment understanding and/or experience. For example, an investor who has only held GICs.

Average: An investor with some investment experience who has had moderate exposure to different investment products. For example, an investor who has held mutual funds.

Extensive: An investor with broad investment experience who has had exposure to multiple investment products. For example, an investor who has held mutual funds, stocks and/or bonds.

Risk profile Risk profile is the risk assessment for your account(s), which reflects the more conservative of either your risk tolerance or risk capacity.

■ **Risk tolerance** The risk tolerance for a specific account refers to your willingness to accept risk or withstand both fluctuations in the value of the investments and volatility in the investment returns. Volatility is a part of investing; the greater the volatility, the greater the possible gains and/or losses.

Very Low: The willingness to accept only a very small amount of volatility. Security of capital is most important, as are predictable returns.

Low: The willingness to accept a small amount of volatility. Security of capital and the potential to earn some returns are important.

Below Average: The willingness to accept some volatility. Minimal capital growth and the potential for returns are important.

Average: The willingness to accept moderate volatility. Some capital growth and the potential for returns are important. Above Average: The willingness to accept substantial volatility. Capital growth potential is important.

High: The willingness to accept very substantial volatility. Maximum capital growth potential is most important.

■ **Risk capacity** Risk capacity evaluates your overall capability to endure potential financial losses. This measure relies on your age, as well as information you have provided regarding your financial circumstances. We identify two categories of risk capacity:

Limited: A limited capability to absorb significant financial losses, including losses in the value of your investments.

High: A high capability to absorb significant financial losses, including losses in the value of your investments.

Investment time horizon Your investment time horizon is the period between now and the point when you will need to access a significant portion of the money you have accumulated in your account, taking into consideration any anticipated liquidity needs. You may still have a medium- or long-term time horizon after you are retired and drawing funds from your account as it may be several years before you draw down the bulk of your retirement savings. The length of your investment time horizon and your need to access all or a portion of your investments to meet ongoing and short- term expenses and financial obligations or fund major planned expenditures impact the investments that may be suitable for you.

Investor profile Investor profile considers, among other things, your investment objective, investment time horizon and risk profile.

Secure: The safety and security of the investments is the highest priority. An investor has only a very low or low risk tolerance, and/or a shorter investment time horizon.

Very Conservative: Some safety and security of the investments are priorities. An investor has at least a below average risk tolerance and a longer investment time horizon.

Conservative: Reasonable safety and an ability to accept moderate fluctuations in the value of the investments.

Balanced: A balanced combination of income and moderate capital growth. An investor has at least an average risk tolerance and a longer investment time horizon.

Growth: Capital growth of the investments is the priority. An investor has at least an above average risk tolerance and a longer investment time horizon.

Aggressive Growth: Maximizing capital growth of the investments is the priority. An investor has a high risk tolerance and a longer investment time horizon.

Investment suitability assessment

Securities legislation and CIRO rules require RMFI to determine that any recommendation it makes is suitable for you in keeping with, among other things, your stated investment objectives, investment time horizon, risk profile and other personal circumstances, and puts your interest first.

We will conduct a suitability assessment for any investments proposed by you, whether or not a recommendation is made. We reserve the right to decline to accept orders to purchase mutual funds for your account if, in our opinion, they are not suitable for you based on your KYC information.

RMFI will assess the suitability of the investments in your account(s) when:

- an order from you is accepted,
- a recommendation is made by us,
- it's within a reasonable time after securities are transferred to your account,
- there is a change in the mutual funds representative responsible for your account,
- we become aware of a material change in your KYC information that could result in your account not meeting the suitability determination requirements,
- we become aware of a change in an investment in your account that could result in your account not meeting the suitability determination requirements, or
- we conduct a periodic review of your KYC information.

RMFI does not necessarily assess the suitability of the investments in your account in the absence of these triggering events. For example, the occurrence of a significant market fluctuation would not generally trigger a suitability assessment. You may wish to contact us to speak about a significant market fluctuation.

We will contact you to review your KYC information and investment suitability at least once every 36 months.

Procedures regarding handling of cash and cheques

You can pay for a purchase by asking RMFI to transfer money from your bank account. You can give RMFI your instructions verbally, electronically or in writing. You must designate the bank account in writing before RMFI can do this. If your bank account is at a financial institution other than Royal Bank of Canada or Royal Trust, you may also need to give RMFI a void cheque for the account. You may also make a purchase by cheque made payable to "RBC." Payments may not be made to any individual mutual funds representative. RBC will accept your payment on behalf of RMFI, which will then be directed towards your investment account.

Statements, confirmations and reports

RMFI will send you a statement of the mutual funds in your account at least on a quarterly basis. The statement includes your account number and other account details, a summary of your mutual fund investments along with their market values at the start and the end of the time period covered by the statement, the activity in your account during the period, opening and closing balances and an annualized rate of return for your investments for the period. The statement may also include your investments held with RMFI's affiliates, such as GICs held with Royal Bank of Canada. In this case, the annualized rate of return for the period, including the date, type and value of each transaction, will be determined based on the combined investments held in your account.

RMFI will send you a confirmation of every purchase, sale and switch transaction in your account, which will include the date of the transaction and settlement date, the quantity and description of the investment, the price per unit at which the trade was effected, any commission and charges if applicable, and the name of the RMFI representative involved in the transaction. However, if you participate in a pre-authorized mutual fund purchase plan, RMFI will send you a confirmation only for the first purchase made under the plan. If you participate in a mutual fund rebalancing program, RMFI will not send you a confirmation in respect of rebalancing trades.

RMFI will send you a performance report and a report on charges and other compensation annually. Your performance report will include the amount of the annualized total percentage return for your account calculated net of charges, using a money-weighted rate of return, for 1, 3, 5 and 10 year periods and since account inception. Your report on charges and other compensation is a personalized report that provides details about the compensation received by RMFI over the past year for advice, access and service relating to the mutual funds in your account, including transaction charges, operating charges and commissions, as applicable.

Fees and charges

A description of the fees and charges that you will or may incur relating to the general operation of your account(s) is set out in your Account Agreement. RMFI may receive commissions or other compensation from other parties with respect to the sale of certain investment products.

When considering the fees charged to your account, you should note that a fee charged to your investment account will compound over time as a deduction to the overall value of your account. Fees payable in respect of your account will reduce the amount invested in your account.

When you invest in mutual funds, you should understand how fees are charged to investment funds. Managers of investment funds usually receive a management fee equal to a specified percentage of the net assets of the fund. These management fees, as well as operating costs payable by the funds, are set out in the fund's simplified prospectus and Fund Facts for each fund. Management fees and operating costs for funds, as well as associated taxes, are described as being the "management expense ratio" or "MER" of the fund. The MER of a fund is important because the fees and expenses affect the return on your investments.

Fund managers pay us a portion of their management fee, called a "trailing commission," for the ongoing advice, access and service we provide to you. As an example, if you have invested \$10,000 in a fund, a trailing commission of 0.50% would pay us \$50 annually. This is not an additional charge paid by you to us.

In some circumstances you may be charged other fees in connection with mutual fund transactions such as early redemption fees, switch fees, short-term trading fees or an account transfer out fee of \$150. As mutual fund fees and costs vary by fund manager and product and account type, you should speak with your mutual funds representative to understand the charges related to you and to any particular transaction.

Investment performance benchmark

An investment performance benchmark is a standard for measuring and evaluating the performance of investments compared to markets in general. You may assess the performance of your investments by evaluating them against one or more performance benchmark(s) that is comparable to the holdings of your portfolio for the reporting period.

While RMFI does not provide performance benchmark information for your account, mutual fund managers, including RBC GAM, provide benchmarks for their mutual funds in their Management Report of Fund Performance.

Loans and leverage

“Leveraging” is a term used to describe the strategy of borrowing money from any source (such as a loan or line of credit) for investment purposes. Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only. If you borrow money (from Royal Bank of Canada or another lender) to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines.

RMFI will advise you of the risks involved in purchasing securities, such as Funds using borrowed money, when we recommend the use of leveraging or become aware that you are using a leveraging strategy. This leveraging disclosure is included on your “Account Opening Information – Know Your Client (KYC)” form.

Trusted contact person and temporary hold

Securities rule amendments effective December 31, 2021 require RMFI to provide an opportunity for you to name and provide contact information for a person that you trust who is mature (regardless of age), is able to conduct potentially difficult conversations about your personal situation and preferably is not involved with making decisions for your account (“Trusted Contact Person” or “TCP”) at account opening and on a periodic basis.

If applicable in your personal circumstances, we may, in our discretion, contact your TCP(s) or your legal representative(s) on file with us if we notice signs of financial exploitation or if you exhibit signs of diminished mental capacity as it relates to decisions involving financial matters relating to your account(s). RMFI may also contact your TCP(s) to confirm your contact information if we are unsuccessful in contacting you after repeated attempts, particularly if failure to contact you is unusual. We may ask the TCP(s) to confirm the name and contact information of your legal representative(s) (e.g., attorney under a power of attorney or a legal guardian). You can change your TCP(s) or withdraw your consent for us to contact the TCP(s) by contacting your RMFI mutual funds representative or by calling 1-800-463-3863.

By providing TCP information, you have authorized us to contact the TCP(s), at our discretion, for the purposes noted above, and you have agreed to (i) notify the TCP(s) that you have identified them as your trusted contact, confirm your TCP(s) consents for us to communicate with them in accordance with the Account Agreement and advise us if they decline to serve as your TCP(s); and (ii) release us from all claims that relate to any decision we make regarding whether or not to contact the TCP(s), in your personal circumstances, and any information that we may share with the TCP(s).

If we have a reasonable belief that you are being financially exploited or that you are experiencing diminished mental capacity which may affect your ability to make financial decisions relating to your account(s), we may place a temporary hold on your account or a particular transaction. We will provide you with a verbal or written notice explaining our actions, in addition to contacting your TCP, as above.

Canadian Investor Protection Fund (CIPF)

Customers’ accounts are protected by the CIPF’s Mutual Fund Dealer Fund within specific limits. Mutual fund dealer customer accounts located in Quebec will not be eligible for coverage by CIPF. Please refer to the CIPF Coverage Policy on the website at cipf.ca for a description of the nature and limits of coverage, or contact CIPF at 1-866-243-6981.

Your participation in our relationship as a client.

We’d like your help so we can serve you better: Please stay involved with your investments and in touch with your RMFI mutual funds representative. You can help us to help you by:

- Keeping us up to date. Please give us complete and accurate information about yourself, and let us know as soon as possible if there is any change in that information. For example, we need to know if you have a change in
 - personal circumstances (including employment status, dependents, occupation)
 - financial circumstances (including income, liquidity needs, net worth)
 - contact information
 - investment needs and objectives
 - risk tolerance
 - investment time horizon
- Being informed. Make sure you understand the potential risks and returns on your investments. Please carefully review the information we provide you about our products and services. You should consult with a professional tax and/or legal advisor on all matters relating to your investments, including your residency for tax purposes.

- Asking questions. Please ask your RMFI mutual funds representative for assistance with questions about your account, transactions or investments, or your relationship with RMFI. If you need more assistance, your RMFI mutual funds representative will be able to direct your question to get answers for you.
- Staying on top of your investments. Please review all the account documentation, statements and information we provide you about your portfolio holdings and performance. Natural shifts in the market may change your asset allocation or the weighting of different investments in your portfolio. This can expose you to more risk or less risk than you are comfortable with. Speak to your RMFI mutual funds representative if you have questions or concerns, and on a regular basis to ensure that the holdings in your portfolio remain consistent with your risk profile and investment objectives.

The employees of RBC believe that all of us – our clients and ourselves – stand to gain by being in contact, whether it's to answer a question, solve a problem or share a success story. While we welcome any positive comments that you have, it is important that you inform us of any problem that you have with respect to the service or conduct of our mutual funds representatives so that we can resolve your issue and retain your confidence. We use your feedback to continuously improve the quality of the products and services that we provide to you and other clients. In addition, it is important to us to implement policies that will treat all clients in an equitable and fair manner.

Natural shifts in the market may change your asset allocation or the weighting of different investments in your portfolio. This can expose you to more risk or less risk than you are comfortable with. Speak to your RMFI mutual funds representative if you have questions or concerns, and on a regular basis to ensure that the holdings in your portfolio remain consistent with your risk profile and investment objectives.

If you have a complaint or concern with our services or our mutual funds representatives

The following is an overview of RMFI's client complaint examination and resolution process:

- If you have a complaint it is important that you let us know right away. You should be aware that there are limitation periods for making a claim, including legal time limits for taking civil action, as well as record retention rules and policies. For further information regarding limitation periods in your province/territory, contact a lawyer or your provincial/territorial government.
- While we do accept verbal complaints, we recommend that client complaints be put into writing. You may submit your complaint by sending us a secure message from the online banking message center, calling us at 1-800-463-3863, visiting any of our branches or contacting your RMFI mutual funds representative or the Branch Manager who supervises that individual. If your complaint is incomplete or if information is missing, we will request that you submit additional information to us.
- All client complaints are promptly recorded in a client complaint register.
- Where applicable, an initial acknowledgement letter together with an overview of our client complaint examination and resolution policy and a copy of the CIRO's "How to Make a Complaint" brochure (CIRO Complaints Brochure) will be sent to you within five business days. The CIRO Complaints Brochure is also provided to you on account opening.
- We review all complaints fairly, taking into account the relevant documents we have obtained which may include the information you have provided about your complaint, your RMFI record and documents, statements obtained from our representatives, other staff members or any other source.
- The Branch Manager will be the primary point of contact for the client during the client complaint process. Generally, our Compliance department will investigate client complaints relating to potential issues under securities regulations.
- If you reside outside Quebec, we will respond to your complaint as soon as possible, however our complaint examination process may take up to 90 calendar days, depending on the complexity of the matter. We will provide you with a status update if your complaint is going to take us longer than 90 calendar days to respond and the revised expected response timeframe. If you reside in Quebec, we will respond to your complaint as soon as possible and no later than 60 calendar days, except in exceptional circumstances or circumstances beyond our control, when we will provide a response no later than 90 calendar days following receipt of your complaint.
- Contact us if you have any questions or comments regarding our response. If we present an offer as part of our response to your complaint, we will provide a reasonable time for you to assess and respond to the offer. Once we reach an agreement with you to resolve your complaint, we will give effect to the agreement within 30 calendar days unless a different time period is agreed upon.
- If you do not receive RMFI's final response within the timelines noted above, or if you are not satisfied with our final response, you may choose to escalate your complaint to the Ombudsman for Banking Services and Investments (OBSI) for their review. You have up to 180 days after receiving RMFI's final response to submit your complaint to

the OBSI. The OBSI is a free, independent service for resolving investment disputes impartially and can recommend compensation of up to \$350,000. The OBSI can be contacted as follows:

Toll-free telephone: 1-888-451-4519

Email: ombudsman@obsi.ca

Website: obsi.ca

Fax: 1-888-422-2865

Mail: 20 Queen Street West, Suite 2400, P.O. Box 8, Toronto, ON M5H 3R3

- You may make a complaint to the CIRO at any time. The CIRO will investigate your complaint and take enforcement action where appropriate. The CIRO can be contacted as follows:

Complete the online complaint form at ciro.ca

By email at info@ciro.ca

By telephone at 1-877-442-4322

By fax at 1-888-497-6172

By mail: 40 Temperance Street, Suite 2600, Toronto, ON M5H 0B4

- If you reside in Quebec you may, at any time, request that your complaint file be transferred to the Autorité des marchés financiers (AMF). We are required to send the complaint record to the AMF no later than 15 calendar days following receipt of your request. Once your file is transferred, the AMF will review it, recommend dispute resolution services and could offer you its mediation services if it deems it appropriate, with the agreement of the parties involved. Mediation is an amicable settlement process in which a mediator helps the parties reach a satisfactory agreement. Transferring your file to the AMF does not interrupt the prescriptive period for civil remedies. The AMF may be contacted as follows:

Quebec City: 418-525-0337 or 2640, boulevard Laurier, bureau 400, Québec (Québec) G1V 5C1

Montreal: 514-395-0337 or 800, rue du Square-Victoria, bureau 2200, Montréal (Québec) H3C 0B4

Toll-free: 1-877-525-0337

Fax: 418-525-9512 or 514-873-3090

Email: information@lautorite.qc.ca

Website: lautorite.qc.ca

Our Compliance department will act as the respondent to the AMF.

- You may also pursue legal action and seek independent legal counsel to advise you of your options and recourses including information regarding the applicable limitation periods in your province/territory.
- Upon receipt of RMFI's response, if you are not in agreement with our resolution, you also have the option to escalate your concerns to the RBC Client Complaints Appeal Office (CCAO), which is the most senior designated office appointed to address appealed complaints within RBC. If you choose to do so, we will forward your complaint on your behalf to the RBC CCAO. The RBC CCAO is an internal office employed by Royal Bank of Canada (RBC) and is not an independent dispute resolution service. The RBC CCAO's services are completely voluntary and free. The RBC CCAO can only review your concern after you have received a response from RMFI. The estimated time that the RBC CCAO takes to review and provide a response to matters is within 90 days upon receipt of the complaint; however, complex investigations may take longer to resolve.
- You may escalate your complaint to the OBSI, CIRO or AMF, as applicable, without going to the RBC CCAO. If you escalate the matter to the RBC CCAO, the limitation periods for escalation to the OBSI or commencement of a civil action continue to run while the RBC CCAO reviews your complaint. This may impact your ability to pursue a future civil claim. We advise you to consult your legal counsel accordingly.
- Our Compliance department will report client complaints to the regulators as required.

For more information about RMFI's complaint handling process, please contact your RMFI mutual funds representative or the Branch Manager.

You can also visit RBC Royal Bank's *Make a Complaint* website at rbc.com/customercare/index.html to learn about the steps you can take if you have a complaint about RBC Royal Bank or its products and services.



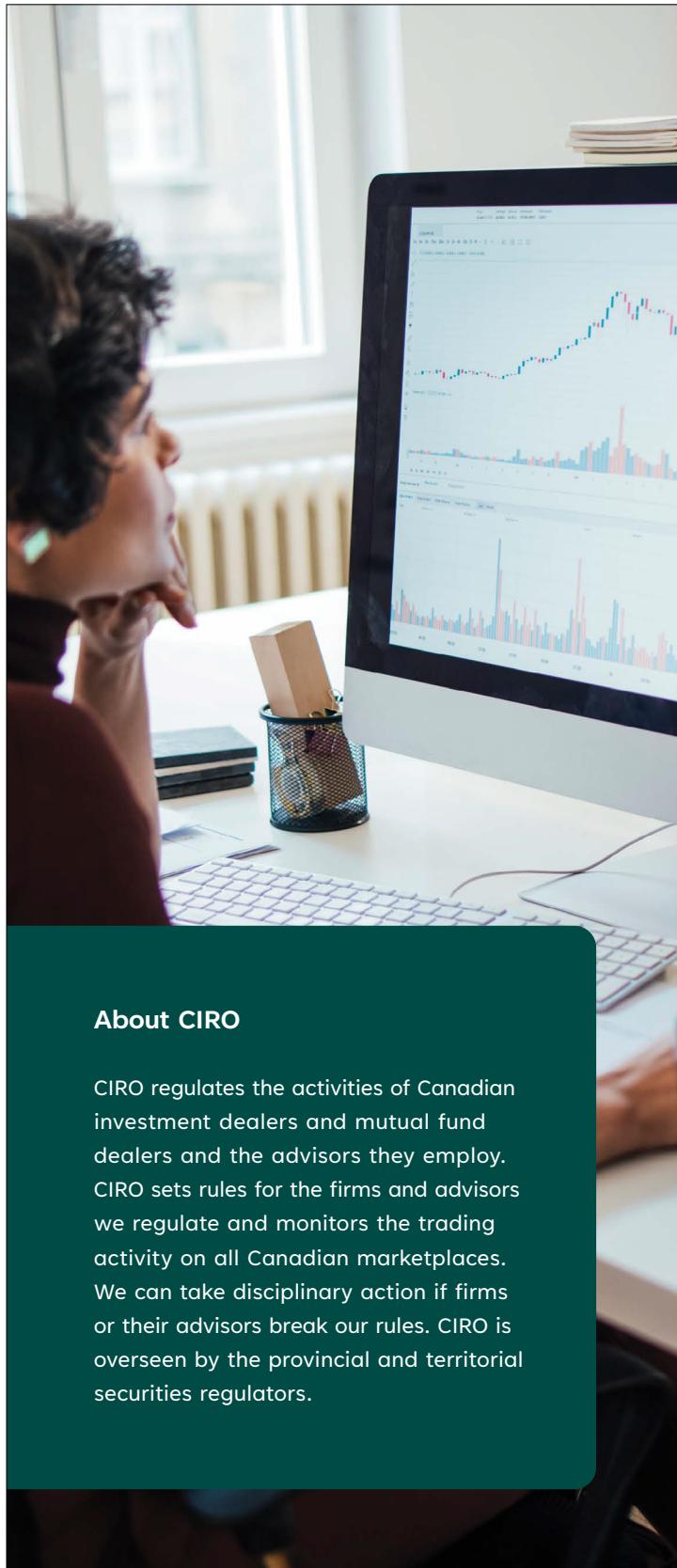
CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

How to Make A Complaint





About CIRO

CIRO regulates the activities of Canadian investment dealers and mutual fund dealers and the advisors they employ. CIRO sets rules for the firms and advisors we regulate and monitors the trading activity on all Canadian marketplaces. We can take disciplinary action if firms or their advisors break our rules. CIRO is overseen by the provincial and territorial securities regulators.

Here is what you need to know if you have a complaint about your advisor or investment firm regulated by CIRO.

You Can Make a Complaint to Your Investment Firm

Clients of a firm regulated by CIRO who are not satisfied with a financial product or service can make a complaint to the firm and seek resolution of the problem. The firm must follow our rules for handling client complaints and address your complaint promptly and fairly. You can find your firm's contact information on your account statement and your firm's complaint handling procedures on their website.

Learn more at ciro.ca about how to make a complaint, where you can get help and your options for seeking compensation.



You Can Also Complain Directly to CIRO

If you feel there has been misconduct in the handling of your account we want to hear from you. You can complain to CIRO directly and we can investigate to determine if your advisor or firm has broken our rules and, if necessary, take disciplinary action. Disciplinary action can include fines or suspensions for firms or advisors that have broken our rules. You can make a complaint to CIRO, at any time, whether or not you have complained to your firm. However, CIRO does not order compensation to investors. If you are seeking compensation, the first step is to make a complaint to your investment firm. You can also consider the options described on the pages that follow.

We can be contacted by:

- 1 Completing the easy and convenient online complaint form at ciro.ca
- 2 By email at info@ciro.ca
- 3 By telephone at 1-877-442-4322
- 4 Fax at 1-888-497-6172
- 5 40 Temperance Street, Suite 2600
Toronto, ON M5H 0B4

Examples of Complaints We Investigate

Your firm or advisor:

-  Recommended investments that were too risky for you;
-  Made trades in your account without your permission or used your funds in ways that you were unaware of;
-  Charged you fees that were not explained to you;
-  Signed forms on your behalf without your knowledge.

Learn more at ciro.ca about how to make a complaint, where you can get help and your options for seeking compensation.

If You Are Seeking Compensation You Have Options



The Ombudsman for Banking Services and Investments (OBSI)

If you do not receive a response from your investment firm within 90 days or you are not satisfied with the firm's response you can go directly to OBSI. OBSI is Canada's free, independent and impartial service for resolving investment and banking disputes with participating firms. CIRO requires all the investment firms it regulates to take part in the OBSI process. OBSI can recommend compensation up to \$350,000, but currently its decisions are not legally binding. **You have 180 days to bring your complaint to OBSI after receiving a response from your investment firm. If your firm has not responded within 90 days, then you can take your complaint to OBSI without your firm's response.**

You can contact OBSI at:

- 1 1-888-451-4519
- 2 ombudsman@obsi.ca
- 3 obsi.ca
- 4 20 Queen Street West, Suite 2400
P.O. Box 8
Toronto, ON M5H 3R3

Other Options

Going to Court

You can hire a lawyer to take legal action or to assist you with your complaint, however this can be an expensive option. There are also time limits on legal action, which vary by province or territory. Once the time limit expires you may not be able to pursue your claim.

Arbitration

Arbitration is a process where a qualified arbitrator, chosen in consultation with both you and the investment firm, hears both sides and makes a final, legally binding decision about your complaint. This option is available if your CIRO firm is an investment dealer. There are costs to using arbitration, though often less than going to court. The arbitrator acts like a judge and reviews facts presented by each side of the dispute. Either side can choose to be represented by a lawyer, though this is not required. Arbitrators in the CIRO arbitration program can award up to \$500,000.

Learn more at ciro.ca about how to make a complaint, where you can get help and your options for seeking compensation.

Provincial and Territorial Securities Regulators

Quebec

If you live in Quebec, in addition to the options previously described, you can use the free services of the **Autorité des marchés financiers** (AMF). If you are dissatisfied with the firm's handling of the complaint or the outcome, you can request to have the complaint examined by the AMF. The AMF will assess the complaint and may offer conciliation and mediation services, though firms are not required to participate.

If you think you are a victim of fraud, fraudulent tactics or embezzlement, you can contact the AMF to see if you meet the eligibility to submit a claim to the Fonds d'indemnisation des services financiers ("Financial Services Compensation Fund"). Up to \$200,000 can be payable for an eligible claim.

For more information on the AMF:

1 1-877-525-0337

2 lautorite.qc.ca/en



Other Provinces or Territories

Some provincial or territorial securities regulators can, *in certain cases*, seek an order that a person or company that has broken securities law pay compensation to harmed investors who make a claim. These orders are enforced similar to court judgments.

Access the link to your provincial or territorial securities regulator by visiting the following Canadian Securities Administrators page: securities-administrators.ca/about/contact-us



CIRO · OCRI

Canadian Investment
Regulatory
Organization

Organisme canadien
de réglementation
des investissements

Your complaint matters. It helps
to ensure you are treated fairly
and can help CIRO better protect
investors now and in the future.

Learn more about how
to make a complaint,
where you can get help
and your options for
seeking compensation.



ciro.ca

