RBC Global Asset Management

RBC CORPORATE CLASS FUNDS

Simplified Prospectus

October 18, 2013

Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O mutual fund shares

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Phillips, Hager & North Total Return Bond Capital Class[1]
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Global Equity Funds

RBC Global Resources Class[1]

[1] Offering Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O only.
[2] Offering Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O only.
[3] Offering Series A, Advisor Series, Series F and Series O only.

No securities regulatory authority has expressed an opinion about these mutual fund shares and it is an offence to claim otherwise.

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Introduction

In this document, *we*, *us* and *our* refer to RBC Global Asset Management Inc. (*RBC GAM*). We refer to all of the RBC Corporate Class Funds listed on the front cover of this simplified prospectus as the *funds* and each individual RBC Corporate Class Fund as a *fund*. The funds are classes of shares of RBC Corporate Class Inc. (sometimes referred to as the *Corporation*). Each class of shares of the Corporation (other than the common shares of the Corporation) is a separate mutual fund having specific investment objectives and is specifically referable to a separate portfolio of investments. Each such class is divided into separate series of shares (*mutual fund shares*). When we are referring to RBC Select Very Conservative Class, RBC Select Conservative Class, RBC Select Balanced Class, RBC Select Growth Class and RBC Select Aggressive Growth Class in this simplified prospectus, we sometimes refer to them as the *portfolios* and to each individual fund as a *portfolio*.

This simplified prospectus contains selected important information about the funds listed on the front cover, to help you make an informed investment decision and understand your rights as an investor.

This simplified prospectus is divided into three parts. Pages 2 to 11 of this simplified prospectus explain general information regarding mutual funds and their risks and tell you who manages the funds. Pages 12 to 65 contain specific information about each of the funds, and page 66 to the inside back cover contains general information about the funds.

You will find more information about each fund in the following documents:

- the fund's annual information form;
- the fund's most recently filed fund facts;
- the fund's most recently filed annual financial statements;
- any interim financial statements filed after those annual financial statements;
- the fund's most recently filed annual management report of fund performance; and
- any interim management report of fund performance filed after that annual management report of fund performance.

These documents are incorporated by reference into this simplified prospectus. That means they legally form part of this simplified prospectus just as if they were printed in it. For a copy of these documents, at no cost, please call us at 1-800-463-FUND (3863) (English) or 1-800-668-FOND (3663) (French), email us at funds.investments@rbc.com (English) or fonds.investissements@rbc.com (French) or ask your dealer.

You can also get copies of this simplified prospectus, the fund facts, the annual information form, the management reports of fund performance and the financial statements from the RBC GAM website at www.rbcgam.com.

These documents and other information about the funds are also available at www.sedar.com.

What is a mutual fund and what are the risks of investing in a mutual fund?

A mutual fund is a pool of investments made on behalf of people with a similar investment objective. When you invest in a mutual fund, your money is working together with that of many other investors. A professional investment manager invests this money on behalf of the whole group.

Investors share a mutual fund's income, expenses, gains and losses in proportion to their interest in the mutual fund. Mutual funds can give individuals the advantages of a simpler, more accessible, less expensive and less time-consuming method of investing in a portfolio of securities.

Mutual funds own different kinds of investments, depending on their objectives. These include equities like stocks, fixed-income securities like bonds and cash or cash equivalents like treasury bills, or units of other mutual funds, called the *underlying funds*. The value of these investments will change from day to day, reflecting changes in interest rates, economic conditions, financial markets and company news.

When you invest in a class of a mutual fund corporation, such as the Corporation, you are buying a portion of that mutual fund corporation called a mutual fund share. Mutual fund corporations keep track of all the individual investments by recording how many mutual fund shares of a class each investor owns. The more money you put into a class of a mutual fund corporation, the more mutual fund shares you get. The price of a mutual fund share changes every day, depending on how the investments of the class are performing. When the investments of a class rise in value, the price of a mutual fund share of that class goes up. When the investments of the class drop in value, the price of the mutual fund share of that class goes down.

Some classes of mutual fund shares are offered in more than one series. A multi-series structure recognizes that different investors may seek the same investment objective, yet require different investment advice and/or service. Each series represents an investment in the same investment portfolio of the fund. However, each series may charge a different management fee and incur its

own specific expenses. As a result, a separate net asset value per mutual fund share is calculated for each series on a daily basis. See *Purchases, switches and redemptions – How the mutual fund shares are valued* on page 66.

Your investment in any mutual fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates (*GICs*), mutual fund shares are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

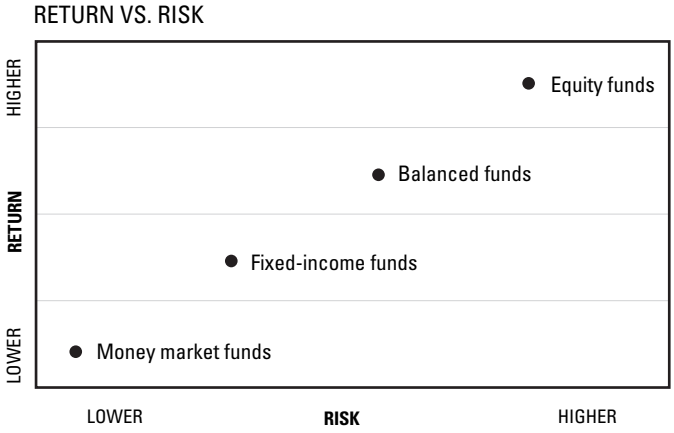
Under exceptional circumstances, you may not be able to redeem your mutual fund shares. See *Purchases, switches and redemptions – When you may not be allowed to redeem your mutual fund shares* on page 71 for more information.

Risk and return

As an investor, there is always a risk you could lose money. Mutual funds are no exception, but the degree of risk varies considerably from one mutual fund to the next. As a general rule, investments with the greatest risk have the greatest potential for gains, but also have the greatest potential for losses. The key is to recognize the risk involved with your investment, understand it, and decide whether it is a risk you are comfortable accepting.

Although the value of your investments may drop in the short term, a longer investment horizon will help to lessen the effects of short-term market volatility. A shorter investment horizon may result in you having to sell your investments in adverse conditions. Ideally, investors in equity funds should have a minimum five- to nine-year investment horizon, which generally provides enough time for the investments to overcome any short-term volatility and grow.

The following chart shows the relationship between risk and potential return. As you can see, money market funds are the least volatile and generally have the lowest returns. At the other end of the scale, equity funds are usually the most risky, but also tend to have the highest potential return.



At any given time, however, one mutual fund may outperform another. The key is to have a diversified portfolio of mutual funds to try to ensure that a decline in one mutual fund is offset by growth in another, helping to reduce risk and smooth out returns. Your advisor can help you build a portfolio that's right for you.

General investment risks

The value of mutual funds can change from day to day because the value of the securities in which they invest can be affected by changes in interest rates, the economy, financial markets or company news. As a result, when you redeem your mutual fund shares, they may be worth more or less than when you bought them. For a mutual fund that invests primarily in other mutual funds (a *fund of funds*), its performance and ability to meet its investment objectives are directly related to the investment performance and the objectives of the underlying funds it holds. Certain funds may invest all or a portion of their assets in units of an underlying fund, which provides exposure to another mutual fund (the *reference fund*). The performance and ability of such a fund to meet its investment objectives may be related to the investment performance and the objectives of the applicable reference fund. Please see also *Reference fund forward risk*, below.

Here are some of the specific risks, listed in alphabetical order, that can affect the value of your investment in a fund. Turn to the fund descriptions starting on page 12 to find out which risks apply to each fund, underlying fund or reference fund (any of which may be referred to as the *fund* in the descriptions below).

Capital erosion risk

If markets fell substantially and did not recover for a significant period, a fund's net asset value would likely drop in line with the market decline. A long-term decline in net asset value may force us to reduce distributions temporarily in an attempt to return the net asset value closer to the initial mutual fund share price to avoid a significant erosion of capital and a long-term effect on the fund's ability to generate income. Erosion of capital may also occur during the year if distributions of a particular series exceed the fund's income for that series.

Commodity risk

Certain funds may obtain exposure to commodities or commodity sectors, including exposure to gold, silver and platinum, by investing, directly or indirectly, in commodities. Funds exposed to commodities will be affected by changes in the prices of the commodities, which can fluctuate significantly in short time periods causing volatility in a fund's net asset value. Commodity prices can change as a result of a

number of factors, including supply and demand, speculation, central bank and international monetary activities, political or economic instability, changes in interest rates and currency values or changes in government regulations affecting commodities.

Credit risk

Credit risk is the possibility that a borrower, or the counterparty to a derivatives contract, repurchase agreement or reverse repurchase agreement, is unable or unwilling to repay the loan or obligation, either on time or at all. Companies, governments and special purpose vehicles (such as vehicles that issue asset-backed securities or mortgage-backed securities) that borrow money, and the debt securities they issue, are rated by specialized rating agencies. Debt securities issued by companies or governments in emerging markets often have higher credit risk (lower rated debt), while debt securities issued by well-established companies or by governments of developed countries tend to have lower credit risk (higher rated debt). A downgrade in an issuer's credit rating or other adverse news regarding an issuer can influence a debt security's market value. Other factors can also influence a debt security's market value, such as the level of liquidity of the security, a change in the market perception of the creditworthiness of the security, the parties involved in structuring the security and the underlying assets, if any. Lower rated and unrated debt instruments generally offer a better return than higher grade debt instruments but have the potential for substantial loss. Funds that invest in companies or markets with higher credit risk tend to be more volatile in the short term. However, they may offer the potential of higher returns over the long term.

Currency risk

Most funds are valued in Canadian dollars. However, funds that purchase foreign securities may be required to pay for such securities using a foreign currency and receive a foreign currency when they sell them. Such funds may also purchase foreign currencies as investments. As a result, changes in the value of the Canadian dollar compared to foreign currencies will affect the value, in Canadian dollars, of any foreign securities or foreign currencies in a fund. For example, if the Canadian dollar rises relative to the U.S. dollar, a fund's U.S. holdings will be worth fewer Canadian dollars. This decline in value may reduce, or even eliminate, any return the fund has earned. Currency exposure may increase the volatility of foreign investments relative to Canadian investments. Some funds may hedge (protect against) the risk of changes in foreign currency exchange rates of the underlying assets of the fund.

Derivative risk

A derivative is a type of investment whose value is derived from the performance of other investments or from the movement of interest rates, exchange rates or market indices.

The funds may use derivatives as permitted by the Canadian Securities Administrators (*CSA*) as long as their use is consistent with the individual fund's investment objectives. **A fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage.** If a fund uses derivatives, securities regulations require that the fund hold enough assets or cash to cover its commitments in the derivative contracts. This limits the amount of losses that could result from the use of derivatives.

There are many different types of derivatives – they usually take the form of a contract to buy or sell a specific commodity, currency, stock or market index. The most common types of derivatives are:

- a futures or forward contract – these are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price;
- an option contract – these are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price; and
- a swap agreement – these are negotiated contracts between parties agreeing to exchange payments based on returns of different investments. The most common type is an interest rate swap. Party A agrees to pay Party B a fixed amount based on a pre-set interest rate. In return, Party B agrees to pay Party A a floating amount based on a reference rate such as bankers acceptances or the London Inter-Bank Offered Rate (*LIBOR*).

Derivatives can help a mutual fund achieve its investment objectives and may be used in three different ways:

- to protect against or limit the changes in the value of an investment that may result from changes in interest rates, foreign exchange rates, commodity prices, and stock prices;
- as a substitute to investing directly in a particular security or market. A mutual fund may use derivatives instead of buying the actual security because it may be cheaper or more efficient; or
- as a substitute for investing directly in a foreign currency as part of the overall investment strategy of a mutual fund which invests in foreign securities. A portfolio manager may take the view that a currency will underperform or overperform another currency over a period of time and use currency forwards to take on currency exposure on a short- or long-term basis.

Derivatives have their own special risks. Here are some of the common ones:

- Using derivatives for hedging may not always work and it could limit a mutual fund's potential to make a gain.
- Using derivatives for non-hedging does not protect a mutual fund from a decline in the value of the underlying security, currency or market for which the derivative is a substitute.
- The price of a derivative may not accurately reflect the value of the underlying currency or security.
- There is no guarantee that a mutual fund can close out a derivative contract when it wants to. If, for example, a stock exchange imposes trading limits, it could affect the ability of a mutual fund to close out its position in derivatives. This type of event could prevent a mutual fund from making a profit or limiting its losses.
- Derivatives traded on foreign markets may be harder to trade and may have higher credit risks than derivatives traded in North America.
- The other party to a derivative contract may not be able to meet its obligation to complete the transaction.

Foreign investment risk

Foreign investments are affected by global economic factors. There is often less information available about foreign companies and many countries have less stringent accounting, auditing and reporting standards than we do in Canada. Some foreign stock markets have less trading volume, which may make it more difficult to sell an investment or make prices more volatile. Certain countries may also have foreign investment or exchange laws that make it difficult to sell an investment or may impose withholding or other taxes that could reduce the return on the investment. Different financial, political and social factors could hurt the value of foreign investments. As a result, mutual funds that specialize in foreign investments may experience larger and more frequent price changes in the short term.

Pursuant to new U.S. tax rules, which will become effective in phases between July 1, 2014 and January 1, 2017, shareholders may be required to provide identity and residency information to the Corporation, which may be provided by the Corporation to U.S. tax authorities in order to avoid a U.S. withholding tax being imposed on U.S. and certain non-U.S. source income and proceeds of disposition received by the Corporation or on certain amounts (including dividends) paid by the Corporation to certain shareholders.

Interest rate risk

If a fund invests primarily in bonds and other fixed-income securities, the biggest influence on the fund's value will be changes in the general level of interest rates. If interest rates fall, the value of the fund's mutual fund shares will tend to rise. If interest rates rise, the value of the fund's mutual fund shares will tend to fall. Depending on a fund's holdings, short-term interest rates can have a different influence on a mutual fund's value than long-term interest rates. If a fund invests primarily in bonds and other fixed-income securities with longer-term maturities, the biggest influence on the fund's value will be changes in the general level of long-term interest rates. If a fund invests primarily in bonds and other fixed-income securities with shorter-term maturities, the biggest influence on the fund's value will be changes in the general level of shorter-term interest rates. If you are seeking current income, you should be aware that the level of interest income from a money market fund will fluctuate as short-term interest rates vary.

Issuer-specific risk

The market value of an individual issuer's securities can be more volatile than the market as a whole. As a result, if a single issuer's securities represent a significant portion of the market value of the fund's assets, changes in the market value of that issuer's securities may cause greater fluctuations in the fund's share value than would normally be the case. A less-diversified mutual fund may also suffer from reduced liquidity if a significant portion of its assets is invested in any one issuer. In particular, the fund may not be able to easily liquidate its position in the issuer as required to fund redemption requests.

Generally, mutual funds are not permitted to invest more than 10% of their assets in any one issuer (the "concentration restriction"). This restriction does not apply to investments in debt securities issued or guaranteed by the Canadian or U.S. government or the government of a Canadian province or territory, securities issued by a clearing corporation, securities issued by mutual funds that are subject to the requirements of National Instrument 81-102 – *Mutual Funds* and National Instrument 81-101 – *Mutual Fund Prospectus Disclosure, or Index Participation Units* issued by a mutual fund.

RBC Bond Trust, the reference fund to which a fund may provide exposure, has obtained exemptive relief from the concentration restriction so that it may invest up to either 35% or 20% of its net asset value in certain debt securities. Such investments may expose RBC Bond Trust to the risks associated with the concentration of its assets in securities of fewer issuers, increasing its exposure to risks such as that of the default of the issuer in which it has so invested and

the risks, including foreign currency risks, of investing in the country in which that issuer is located. These risks are mitigated by the types of securities and the issuers involved, which are debt securities issued by governments and supranational agencies with strong credit ratings.

Large investor risk

The securities of a fund may be held in significant percentages by an investor, including another mutual fund. In order to meet purchase and redemption requests by the investor, the fund may have to alter its holdings significantly and purchase or sell investments at unfavourable prices. This can reduce the returns of the fund. The fund descriptions disclose if any investor held a significant percentage (more than 10%) of the mutual fund shares of a fund as at a date that is within 30 days of the date of this simplified prospectus.

Liquidity risk

Liquidity refers to the speed and ease with which an asset can be sold and converted into cash. Most securities owned by mutual funds can be sold easily and at a fair price. In highly volatile markets, such as in periods of sudden interest rate changes, certain securities may become less liquid, which means they cannot be sold as quickly or easily. Some securities may be illiquid because of legal restrictions, the nature of the investment, certain features, like guarantees or a lack of buyers interested in the particular security or market. Difficulty in selling securities may result in a loss or reduced return for a fund.

Market risk

Market risk is the risk of being invested in the equity and fixed-income markets. The market value of a fund's investments will rise and fall based on specific company developments and broader equity or fixed-income market conditions. Market value will also vary with changes in the general economic and financial conditions in countries where the investments are based.

Multiple class and series risk

Each fund is a class of mutual fund shares of RBC Corporate Class Inc., and each class is available in more than one series. Each class and series has its own fees and expenses, which are tracked separately. Those expenses will be deducted in calculating the share value for that class or series, thereby reducing the share value. If one class or series is unable to pay its expenses or liabilities, the Corporation is legally responsible to pay those expenses and as a result, the share price of the other classes or series may also be reduced. Please see *Purchases, switches and redemptions* on page 66 and *Fees and expenses* on page 72 for more information regarding each class or series and how its share value is calculated.

Reference fund forward risk

Certain of the funds may invest all or a portion of their assets in one or more underlying funds that may enter into forward contracts or other derivative instruments to provide an economic return similar to that which would be achieved by an investment in units of a reference fund. Each reference fund invests directly in fixed-income securities. These securities may be affected by credit risk, interest rate risk and other risks and may therefore fluctuate in value, which will affect the value of units of the reference fund.

If an underlying fund gains exposure to the reference fund through a forward contract (a *reference fund forward*) or other derivatives, the return of the underlying fund will be lower than that of the reference fund because the underlying fund bears its own fees and expenses, including the costs of the reference fund forward or other derivatives it uses to achieve its investment objectives. The costs of the reference fund forward and other derivatives may change over time. There may also be a delay between the date of an investor's investment in an underlying fund and the date on which the underlying fund links this investment to the performance of the reference fund. Finally, an underlying fund may hold cash balances, instead of linking its performance to the performance of the reference fund, to satisfy anticipated redemption requests. Each of these factors may cause an underlying fund's return to differ from that of the reference fund.

Each underlying fund faces the same risks of using derivatives as described above under *Derivative risk*, including the risk that the counterparty might not fulfill its obligations. The ability of an underlying fund to achieve its investment objectives may depend partly on its ability to enter into suitable reference fund forwards. If an underlying fund is not able to find enough suitable counterparties with whom to enter into reference fund forwards, the underlying fund may be unable to track the performance of its reference fund.

If an underlying fund enters into a reference fund forward, it will use the net proceeds received from purchases of its units to purchase a portfolio of Canadian securities. Under the reference fund forward, the underlying fund will agree to sell to its counterparty, on a specified date, the portfolio of Canadian securities in exchange for an amount determined by reference to the value of a notional investment in units of the reference fund.

The underlying fund will allocate to each fund investing in it, such fund's share of gains realized on the sale of Canadian securities by the underlying fund to the counterparty under the reference fund forward. Each such fund will treat its share of such gains as capital gains by reason of an election made by the Corporation to treat gains and

losses on the disposition of Canadian securities as capital gains and capital losses. No advance income tax ruling has been requested or received from the Canada Revenue Agency regarding the timing or characterization of the Corporation's income, gains or losses in relation to an investment in an underlying fund. If, contrary to the advice of our tax counsel, whether through the application of the general anti-avoidance rule or otherwise, or as a result of a change in tax laws, the Corporation's share of gains realized by an underlying fund on the sale of Canadian securities under a reference fund forward were other than capital gains, after-tax returns to investors in such fund may be reduced.

If an underlying fund is not able to find enough suitable counterparties or if there is a change in tax laws or the interpretation thereof that affects the tax treatment of an underlying fund or its investors in a material adverse way, we may, subject to complying with any applicable notice requirements and obtaining any required approvals, terminate the underlying fund, change its investment objectives or take some other course of action in the best interests of the underlying fund and its investors.

Securities lending, repurchase and reverse repurchase transaction risks

Certain of the funds may enter into securities lending arrangements and repurchase and reverse repurchase transactions in accordance with the rules of the CSA. Securities lending, repurchase and reverse repurchase transactions may be entered into to generate additional income or as a short-term cash management tool to enhance the net asset value of a fund.

In a securities lending transaction, a mutual fund lends its securities to a borrower in exchange for a fee. A repurchase agreement takes place when a mutual fund sells a security at one price and agrees to buy it back later from the same party at a higher price. The difference between the higher price and the original price is like the interest payment on a loan. A reverse repurchase agreement is the opposite of a repurchase agreement and occurs when the mutual fund buys a security at one price and agrees to sell it back to the same party at a higher price. The other party to a securities lending transaction, repurchase agreement or reverse repurchase agreement delivers collateral to the mutual fund in order to secure the transaction.

Securities lending, repurchase and reverse repurchase transactions come with certain risks. If the other party to the transaction cannot complete the transaction, the mutual fund may be left holding the collateral delivered by the other party to secure the transaction. In a securities lending or repurchase transaction, the mutual fund could lose money if the value of collateral held and cash received does not increase as much as the securities loaned or agreed to be repurchased. In a reverse repurchase transaction, the mutual fund could lose money if the value of the securities purchased drops relative to the cash and collateral delivered. To minimize these risks, the other party must provide collateral that is worth at least 102% of the value of the mutual fund's securities or cash and of the type permitted by the CSA. The value of the transactions and the collateral are monitored daily and the collateral adjusted appropriately by the securities lending agent of the funds.

Those funds (other than the underlying funds that enter reference fund forwards) that enter into securities lending or repurchase transactions may not commit more than 50% of their total assets to securities lending or repurchase transactions at any time. Securities lending transactions may be ended at any time and all repurchase transactions and reverse repurchase transactions must be completed within 30 days. The portfolios will not enter into securities lending, repurchase or reverse repurchase transactions, but certain of their underlying funds may do so.

Small-cap risk

Securities of small-cap companies tend to be traded less frequently and in smaller volumes than those of large-cap companies. As a result, the prices of shares of small-cap companies tend to be less stable than those of large-cap companies. Their value may rise and fall more sharply than other securities, and they may be more difficult to buy and sell.

Specialization risk

Some funds specialize by investing in a particular sector of the economy or part of the world or by using a specific investment style or approach, like growth, value or socially responsible investing. Specialization allows a fund to focus on a specific investment approach, which can boost returns if the particular sector, country or investment style is in favour. However, if the particular sector, country or investment style is out of favour, the value of the mutual fund may underperform relative to less specialized investments. Mutual funds that specialize tend to be less diversified, but may add diversification benefits to portfolios that do not otherwise have exposure to this specialization.

Trust investments risk

A mutual fund that invests in trusts faces the risk that, as a holder of units of a trust, the mutual fund may be held liable and subject to levy or execution for satisfaction of all obligations and claims of the trust. This risk may arise with income trusts, which include real estate investment trusts and other forms of business trusts. The risk is considered remote. Alberta, Ontario, Saskatchewan, British Columbia and Manitoba have legislation to eliminate this risk in respect of holders of units of trusts that are reporting issuers organized under the laws of such provinces. To the extent that a unitholder of a trust fund is subject to such claims and such claims are not satisfied by the trust fund, there is a risk that the unitholder of the trust fund could be held personally liable for the obligations of the trust fund. The possibility of a unitholder incurring personal liability of this nature is considered extremely remote.

Organization and management of the funds

This section tells you about the companies that are involved in managing or providing services to the funds. RBC GAM, Royal Mutual Funds Inc. (*RMFI*), RBC Direct Investing Inc. (*RBC DI*), RBC Dominion Securities Inc. (*RBC DS*) and RBC Investor Services Trust (*RBC IS*) are all wholly owned subsidiaries of Royal Bank of Canada (*Royal Bank*). We refer to Royal Bank and affiliated companies of Royal Bank as *RBC*.

Manager, Principal Distributor and Portfolio Advisor RBC Global Asset Management Inc. 155 Wellington Street West Suite 2200 Toronto, Ontario M5V 3K7	RBC GAM is the manager of, and portfolio advisor to, the funds. RBC GAM manages the day-to-day business of the funds, provides investment advice and portfolio management services to the funds and appoints distributors for the funds. RBC GAM is also the principal distributor of the funds (other than Series D), which means that it markets and, in some circumstances, sells the mutual fund shares of the funds. RBC GAM is the primary investment manager for the RBC® businesses serving the needs of private clients, including the funds, RBC Funds and PH&N Funds. If a unitholder meeting is called for an underlying fund, you will have the voting rights that come with the units of the underlying fund and we will not vote the units of the underlying fund.
Principal Distributor (Series D) RBC Direct Investing Inc. Toronto, Ontario	RBC DI is the principal distributor of Series D mutual fund shares of the funds. RBC DI is an affiliate of RBC GAM.
Custodian RBC Investor Services Trust Toronto, Ontario	The custodian holds the assets of the funds.
Registrar Royal Bank of Canada, RBC Investor Services Trust and RBC GAM Montreal, Quebec, Toronto, Ontario and Vancouver, British Columbia	Royal Bank, RBC IS and RBC GAM keep a record of who owns all mutual fund shares. Royal Bank and RBC IS are affiliates of RBC GAM.
Auditor Deloitte LLP Toronto, Ontario	As auditor, Deloitte LLP provides assurance that the funds' annual financial statements present fairly, in all material respects, their financial position and results of operations in accordance with Canadian generally accepted accounting principles.

Independent Review Committee (Board of Governors)	The Board of Governors acts as the independent review committee that the funds are required to have under Canadian securities laws. The Board of Governors reviews and provides input on conflict of interest matters in respect of RBC GAM and the funds. The Board of Governors also provides advice to RBC GAM on other issues relating to the management of the funds. The Board of Governors is composed of nine members and each is independent from RBC GAM, the funds and entities related to RBC GAM. The Board of Governors prepares, at least annually, a report for shareholders of its activities as the independent review committee. This report will be available, at no cost, on the RBC GAM website at www.rbcgam.com or by contacting RBC GAM by email at funds.investments@rbc.com (English) or fonds.investissements@rbc.com (French). Additional information about the Board of Governors, including the names of the members, is available in the funds' annual information form.

Specific information about each of the mutual funds described in this document

How to read these fund descriptions

Fund details

Each fund is a separate class of mutual fund shares of RBC Corporate Class Inc., and each class is divided into separate series. Each fund is associated with an investment portfolio having specific investment objectives. Each mutual fund share of a series represents an equal, undivided interest in the portion of the fund's net assets attributable to that series. Expenses of each series are tracked separately and a separate mutual fund share price is calculated for each series. More details can be found under *Fees and expenses*.

This table gives you a brief summary of each fund. It describes what type of mutual fund it is, when it was established and the series of mutual fund shares that the fund offers. The table also highlights that mutual fund shares of the fund are a qualified investment for registered plans. You will find more information about registered plans starting on page 72. The table also tells you the management fee and administration fee for each series of the fund.

What does the fund invest in?

Investment objectives

This section outlines the investment objectives of each fund and the type of securities in which the fund may invest to achieve those investment objectives. A fund's objectives may include capital preservation, generating income, capital growth or a combination of the three. Some funds focus on diversification across asset classes, while others take a focused investment theme, investing in a particular country or sector as their objective.

Investment strategies

This section describes the principal investment strategies that the portfolio advisor uses to achieve the fund's investment objectives. It gives you a better understanding of how your money is being managed. The format also allows you to compare more easily how different mutual funds are managed.

This section also highlights:

- any significant investment restrictions adopted by the fund; and
- the potential use of derivatives and a description of how they will be used.

Regulatory relief from investment restrictions

RBC GAM has received relief from applicable securities legislation for the funds, the underlying funds and the reference funds (any of which is referred to as the *fund* in the descriptions below) to engage in certain transactions as described below. Such transactions must be consistent with the investment objectives of a fund and related issuer and related dealer transactions must be carried out in accordance with any instructions of the Board of Governors of the fund.

Additional information about the relief described below, as well as certain other relief, is contained in the annual information form.

Use of derivatives
A fund is permitted to:

- use additional portfolio assets to those contemplated under National Instrument 81-102 – *Mutual Funds* as cash cover in respect of derivative transactions; and
- use a right or obligation in respect of the underlying interest as cover in respect of derivative transactions, in addition to cash cover.

A fund which invests in foreign securities may use derivatives for non-hedging purposes in order to gain exposure to foreign currencies. The fund's exposure to non-hedging currency transactions will not exceed 7.5% of the assets of the fund, unless otherwise indicated under the *Investment strategies* section of a fund. See *What is a mutual fund and what are the risks of investing in a mutual fund? – Derivative risk* on page 4 for more information about derivative risk.

Purchase of debt securities
A fund is permitted to:

- purchase debt securities of a related issuer which are not traded on an exchange if the purchase is made in the secondary market;
- purchase debt securities from and sell debt securities to related dealers that are principal dealers in the Canadian debt securities market; and
- purchase and hold debt securities issued by a related party in a primary offering (other than asset-backed commercial paper securities) with a term to maturity of 365 days or more.

Related party underwritings
A fund is permitted to purchase equity securities for which a related dealer has acted as underwriter, subject to Board of Governors approval and certain other conditions, during the distribution and for 60 days thereafter: (i) when a prospectus is filed in respect of the securities; or (ii) when no prospectus is filed in respect of the securities provided that the issuer is a reporting issuer in Canada.

Purchase of gold or silver exchange traded funds
A fund is permitted to purchase certain exchange traded funds that seek to replicate the performance of gold or silver or the value of a specified derivative for which the underlying interest is gold and/or silver.

Purchase of German exchange traded funds
A fund whose investment objectives and strategies contemplate exposure to European equities is permitted pursuant to exemptive relief to invest in the securities of certain investment funds that are qualified as Undertakings for Collective Investment in Transferable Securities pursuant to the UCITS IV Directive (2009/65/EC), listed on the Frankfurt Stock Exchange and managed by BlackRock Asset Management Deutschland AG (*German ETFs*).

What are the risks of investing in the fund?

Understanding risk and your comfort with risk is an important part of investing. This section highlights the specific risks of each fund. We have listed the risks in the order of relevance for each fund. You will find general information about the risks of investing and descriptions of each specific risk in *What is a mutual fund and what are the risks of investing in a mutual fund?* on page 2.

Who should invest in this fund?

This section explains the type of investor for whom the fund may be suitable. As an investor, the most important part of your financial plan is understanding:

- your objectives – what are you expecting from your investments – income, growth, or a balance of the two;
- your investment time horizon – how long are you planning to invest; and
- your risk tolerance – how much volatility in your investment are you able to accept.

When looking at each fund, you should also consider how the fund will work with your other investment holdings. For instance, if you are considering a fund with a high investment risk rating, it may be too risky if it is your only investment. If you plan on holding it as a portion of your overall portfolio, it may be a good way to increase your potential portfolio returns while limiting the overall risk of the portfolio – benefiting from diversification.

Investment risk classification methodology

We assign fund risk ratings to each fund as an additional guide to help you decide whether a fund is right for you. Our determination of the risk rating for each fund is guided by the methodology recommended by the Fund Risk Classification Task Force of The Investment Funds Institute of Canada (*Task Force*). The Task Force concluded that the most comprehensive, easily understood form of risk is the historical volatility of a fund as measured by the standard deviation of its performance. However, you should be aware that

other types of risk, both measurable and non-measurable, also exist. Additionally, just as historical performance may not be indicative of future returns, a fund's historical volatility may not be indicative of its future volatility. The Task Force guidelines suggest that managers refer to standard deviation bands associated with fund categories as a point of reference where historical performance does not exist. Consistent with the Task Force guidelines, qualitative factors are also considered before making a final determination of the appropriate risk ratings.

Using this methodology, we assign a risk rating to each fund as either low, low to medium, medium, medium to high, or high risk. In certain instances, we may classify a fund either higher or lower than the risk rating indicated by the Task Force's methodology. We may do so where qualitative factors, such as style and sector concentration, may contribute to the fund's overall volatility and therefore the risk rating of the fund. We review the risk rating for each fund on an annual basis.

A copy of the methodology used by RBC GAM to identify the investment risk levels of the funds is available on request, at no cost, by calling 1-800-463-FUND (3863) (English) or 1-800-668-FOND (3663) (French) or by writing to RBC GAM at the address on the back cover of this simplified prospectus.

Distribution policy

This section explains how often a fund pays ordinary dividends or capital gains dividends. Generally, such dividends will be declared payable to shareholders of a fund by the board of directors of the Corporation on the basis that the board of directors considers to be reasonable. The funds intend to pay ordinary dividends, if any, annually in March and capital gains dividends, if any, annually within 60 days of March 31. Any dividends payable in respect of a particular fund would generally be shared proportionately amongst all series of that fund, after adjusting for series-specific expenses. As a result, dividends would likely be different for each series of a fund.

The funds may also pay return of capital distributions. Return of capital represents a return to the investor of a portion of their own invested capital. To the extent that the funds invest in underlying funds, distributions of the funds may vary depending on the distribution policies of each underlying fund and the activity within each fund.

We automatically reinvest all distributions in additional mutual fund shares unless you tell your dealer to inform us that you want them in cash. You will find more information about distributions in *Income tax considerations for investors* on page 79.

Fund expenses indirectly borne by investors

This table provides an example of the costs of investing in each series of a fund. These costs reflect the management expense ratio (*MER*) of each series of the fund that is paid out of the fund's assets. While you do not pay these costs directly, they do lower the fund's returns. See *Fees and expenses, Management fee* and *Administration fee* in the *Fund details* table for each fund for more information.

The example shows the expenses you would pay if:

- you invested $1,000 in the fund for the time periods shown;
- the fund earned 5% each year; and
- the MER for the fund remained the same in all periods as it was in the fund's last financial year.

We cannot provide information regarding fund expenses indirectly borne by investors in respect of a fund or a series of a fund that has not completed a financial year or been previously distributed under a simplified prospectus.

Additional information

Past performance and financial highlights

You can find more information, including past performance and financial highlights, in the annual and interim management reports of fund performance for each fund, when available. For a copy of these documents, at no cost, call us at 1-800-463-FUND (3863) (English) or 1-800-668-FOND (3663) (French), visit our website at www.rbcgam.com, send an email to funds.investments@rbc.com (English) or fonds.investissements@rbc.com (French) or ask your dealer.

Policies and procedures regarding proxy voting

As portfolio advisor for the funds, RBC GAM has responsibility for the investment management of the funds, including the exercise of voting rights attaching to securities held by the funds. Each fund has proxy voting policies and procedures which require the fund's voting rights to be exercised in accordance with the best interests of the fund. Additional information about the policies and procedures regarding proxy voting, including how to obtain a copy of such policies, is available in the annual information form of the funds.

RBC Short Term Income Class

Fund details

Type of fund	Canadian short-term fixed-income fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	up to 0.75%	0.08%
Advisor Series	up to 0.75%	0.08%
Series H	up to 0.60%	0.03%
Series D	up to 0.60%	0.03%
Series F	up to 0.50%	0.03%
Series I	up to 0.40%	0.03%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide current income and liquidity consistent with short-term money market rates, and to preserve the value of an investment.

The fund invests its assets primarily in high-quality, short-term (one year or less) debt securities, including treasury bills and promissory notes issued or guaranteed by Canadian governments or their agencies, bankers acceptances, asset-backed commercial paper and commercial paper issued by Canadian chartered banks, loan companies, trust companies and corporations, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Canadian Money Market Fund (the *underlying fund*).

The portfolio manager of the underlying fund:

› invests in short-term debt securities, maintaining an average term of 90 days or less;

› selects maturities based on both economic fundamentals and capital market developments;

› for the portion invested in corporate money market securities, invests only in securities rated R-1 or higher by DBRS Limited or an equivalent rating as defined by other recognized rating agencies;

› may invest no more than 10% of the underlying fund's assets in foreign securities;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates or foreign exchange rates;

› may also use derivatives such as swaps as a substitute for direct investment; and

› may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

RBC Short Term Income Class

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

- the unit price of the underlying fund may rise or fall, although the underlying fund strives to maintain a constant $10 unit value;
- issuer-specific risk;
- interest rate risk;
- credit risk to the extent the fund invests in corporate money market securities;
- derivative risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

- you are seeking somewhat higher current income than available on funds invested solely in short-term government securities;
- you are looking for a liquid, short-term investment;
- you are planning to hold your investment in a non-registered account;
- you have a low tolerance for risk; or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	6.36	20.03	35.12	79.93
Advisor Series ($)	6.87	21.65	37.95	86.38
Series H ($)	5.43	17.13	30.02	68.33
Series D ($)	6.25	19.71	34.55	78.64
Series F ($)	5.74	18.10	31.72	72.20
Series I ($)	4.72	14.86	26.05	59.30
Series O ($)	0.62	1.94	3.40	7.74

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC Bond Capital Class

Fund details

Type of fund	Canadian bond fund
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012 Series H – October 31, 2012 Series D – October 31, 2012 Series F – October 31, 2012 Series I – October 31, 2012 Series O – October 31, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O **Effective April 2, 2013, mutual fund shares of the fund are not available for purchase by investors.**
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.00%	0.08%
Advisor Series	1.00%	0.08%
Series H	0.90%	0.03%
Series D	0.65%	0.03%
Series F	0.50%	0.03%
Series I	0.40%	0.03%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term total returns consisting of income and moderate capital growth through exposure primarily to high-quality fixed-income securities issued by Canadian governments and corporations. The fund may also provide exposure to similar securities outside of Canada.

The fund will obtain such exposure in one or more of the following ways:

– by investing directly in units of the RBC Bond LP (the *underlying fund*); or

– by investing directly in debt securities or units of the RBC Bond Trust (the *reference fund*).

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the underlying fund. The underlying fund may enter into one or more forward contracts (each, a *reference fund forward*) to gain exposure to the return of the reference fund. The fund may also invest in debt securities or units of the reference fund.

If, as is initially expected, the underlying fund enters into one or more reference fund forwards, or if the underlying fund purchases units of the reference fund, the return of the underlying fund in respect of such investment will be dependent upon the return of the reference fund. RBC GAM, as the portfolio manager of the reference fund:

› uses a disciplined approach to assess opportunities within three risk categories:

– overall direction of interest rates in Canada, the United States and other major economies,

– expected changes in interest rate spreads between different segments of the bond market (for instance, between corporate bonds and government bonds or among different corporate bonds), and

– anticipated changes in interest rate spreads associated with a change in individual credit ratings or quality perceptions;

RBC Bond Capital Class

- may implement a longer average term than that of our other fixed-income mutual funds;
- selects securities based on fundamental economic analysis, examining economic growth, inflation and the fiscal and monetary policies in Canada, the United States and other countries;
- may invest up to 10% of the reference fund's assets in securities of one issuer (other than Canadian federal and provincial government and U.S. federal government securities) and may (i) invest up to 35% of the reference fund's assets in debt securities issued or guaranteed by one or more national governments or supranational agencies such as the World Bank with a minimum AAA rating by Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc. (*Standard & Poor's*) or another similar rating agency, or (ii) invest up to 20% of the reference fund's assets in debt securities of issuers described in (i) with a minimum AA rating by Standard & Poor's or another similar rating agency. The limits set out in (i) and (ii) may not be combined for any one issuer, the debt securities must be traded on a mature and liquid market and such investment must be consistent with the fundamental investment objective of the reference fund;
- may invest up to 20% of the reference fund's assets in:
  - global, non-investment grade corporate debt securities (high yield) rated below BBB- by Standard & Poor's or another similar rating agency, and
  - emerging market sovereign and corporate bonds;
- may invest no more than 25% of the reference fund's assets in foreign securities;
- may invest up to 10% of the reference fund's assets in units of other mutual funds managed by RBC GAM or an affiliate;
- may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the reference fund's exposure to changes in the value of foreign currencies relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets. The reference fund's foreign currency exposure is typically fully hedged;
- may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment;
- may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and
- may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Reference fund forward

It is expected that the underlying fund will enter into one or more reference fund forwards. If so, it will use the net proceeds received from purchases of its units to acquire a portfolio of Canadian securities. The underlying fund will then enter into a reference fund forward or forwards, pursuant to which the underlying fund will agree to sell to its counterparty or counterparties, on a specified date (the *scheduled termination date*), the portfolio of Canadian securities in exchange for an amount determined by reference to the value of a notional investment in units of its reference fund.

Each party will receive collateral as security for the obligations of the other under each reference fund forward.

During the term of the reference fund forward, the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

The underlying fund will have the right to settle a reference fund forward in whole or in part to pay distributions, redemptions, expenses and other liabilities. A reference fund forward may be terminated prior to its scheduled termination date in certain circumstances, including by the counterparty if it is unable to hedge its exposure thereunder. If a reference fund forward is settled in whole or in part or is terminated prior to its scheduled termination date, RBC GAM may, subject to complying with any applicable notice requirements and obtaining any required approvals, on behalf of the underlying fund, enter into a replacement reference fund forward on terms satisfactory to it, terminate the underlying fund or take such other action as it considers to be in the best interests of the underlying fund and its investors.

Where the underlying fund obtains exposure to fixed-income securities through the use of a reference fund forward, the underlying fund expects that the investment return derived from the exposure will be treated as gains from the sale of Canadian securities and will be allocated to the Corporation as such. By reason of a tax election made by the Corporation, such gains will be treated as capital gains of the Corporation for tax purposes.

Additional information about the underlying fund and the reference fund is available at www.rbcgam.com.

RBC Bond Capital Class

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives may be directly related to the ability of each of the underlying fund and the reference fund to achieve its objectives.

The risks of investing in the fund, which may include the risks of investing in the underlying fund and the reference fund, include the following:

- reference fund forward risk;
- interest rate risk;
- credit risk;
- liquidity risk;
- currency risk;
- foreign investment risk;
- derivative risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks;
- issuer-specific risk; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

- you want exposure to high-quality fixed-income securities issued by Canadian governments and corporations;
- you are planning to hold your investment in a non-registered account;
- you are seeking the benefits of diversification through a core bond holding within an overall balanced portfolio strategy;
- you are planning to hold your investment for the medium-to-long term and can tolerate low investment risk (i.e. you can accept some fluctuations in the value of your investment); or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	12.81	40.39	70.80	161.15
Advisor Series ($)	12.81	40.39	70.80	161.15
Series H ($)	10.97	34.58	60.60	137.95
Series D ($)	8.10	25.53	44.74	101.85
Series F ($)	6.36	20.03	35.12	79.93
Series I ($)	5.33	16.80	29.45	67.04
Series O ($)	0.51	1.62	2.83	6.45

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

Phillips, Hager & North Total Return Bond Capital Class

Fund details

Type of fund	Canadian bond fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O **Effective April 2, 2013, mutual fund shares of the fund are not available for purchase by investors.**
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.00%	0.03%
Advisor Series	1.00%	0.03%
Series H	0.90%	0.03%
Series D	0.50%	0.02%
Series F	0.50%	0.03%
Series I	0.40%	0.03%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To generate income and provide stability of capital through exposure primarily to a well-diversified portfolio of fixed-income securities issued by Canadian governments and corporations.

The fund will obtain such exposure in one or more of the following ways:

– by investing directly in units of the Phillips, Hager & North Total Return Bond LP (the *underlying fund*); or

– by investing directly in fixed-income securities or units of the Phillips, Hager & North Total Return Bond Trust (the *reference fund*).

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the underlying fund. The underlying fund may enter into one or more forward contracts (each, a *reference fund forward*) to gain exposure to the return of the reference fund. The fund may also invest in fixed-income securities or units of the reference fund.

If, as is initially expected, the underlying fund enters into one or more reference fund forwards, or if the underlying fund purchases units of the reference fund, the return of the underlying fund in respect of such investment will be dependent upon the return of the reference fund. RBC GAM, as the portfolio manager of the reference fund:

› invests primarily in medium-to high-quality corporate and government bonds of Canadian issuers. In addition, the portfolio manager may invest in Canadian asset-backed commercial paper. The average term to maturity of the portfolio is managed within strict guidelines, typically between seven and 12 years;

› may invest a portion of the reference fund's assets in non-Canadian securities where such an investment is compatible with the investment objectives of the reference fund. Although there is no specific limitation on the percentage of the assets of the

reference fund that may be invested in non-Canadian securities, as of the date of this simplified prospectus we do not expect that the reference fund will invest more than 30% of its assets in non-Canadian securities;

- may invest up to 10% of the reference fund's assets in units of other mutual funds managed by RBC GAM or an affiliate;
- may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the reference fund's exposure to changes in the value of foreign currencies relative to the Canadian dollar;
- may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment, to generate income or to extend or reduce the duration of fixed-income investments;
- may use derivatives in accordance with relief obtained from applicable securities legislation; and
- may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Reference fund forward

It is expected that the underlying fund will enter into one or more reference fund forwards. If so, it will use the net proceeds received from purchases of its units to acquire a portfolio of Canadian securities. The underlying fund will then enter into a reference fund forward or forwards, pursuant to which the underlying fund will agree to sell to its counterparty or counterparties, on a specified date (the *scheduled termination date*), the portfolio of Canadian securities in exchange for an amount determined by reference to the value of a notional investment in units of its reference fund.

Each party will receive collateral as security for the obligations of the other under each reference fund forward.

During the term of the reference fund forward, the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

The underlying fund will have the right to settle a reference fund forward in whole or in part to pay distributions, redemptions, expenses and other liabilities. A reference fund forward may be terminated prior to its scheduled termination date in certain circumstances, including by the counterparty if it is unable to hedge its exposure thereunder. If a reference fund forward is settled in whole or in part or is terminated prior to its scheduled termination date, RBC GAM may, subject to complying with any applicable notice requirements and obtaining any required approvals, on behalf of the underlying fund, enter into a replacement reference fund forward on terms satisfactory to it, terminate the underlying fund or take such other action as it considers to be in the best interests of the underlying fund and its investors.

Where the underlying fund obtains exposure to fixed-income securities through the use of a reference fund forward, the underlying fund expects that the investment return derived from the exposure will be treated as gains from the sale of Canadian securities and will be allocated to the Corporation as such. By reason of a tax election made by the Corporation, such gains will be treated as capital gains of the Corporation for tax purposes.

Additional information about the underlying fund and the reference fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives may be directly related to the ability of each of the underlying fund and the reference fund to achieve its objectives.

The risks of investing in the fund, which may include the risks of investing in the underlying fund and the reference fund, include the following:

- reference fund forward risk;
- interest rate risk;
- credit risk;
- currency risk;
- foreign market risk;
- multiple class and series risk;
- derivative risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Phillips, Hager & North Total Return Bond Capital Class

Who should invest in this fund?

This fund may be right for you if:

- you want exposure to a well-diversified portfolio of Canadian fixed-income securities;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the medium-to-long term and can tolerate low investment risk (i.e. you can accept some fluctuations in the value of your investment); or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	11.99	37.81	66.27	150.84
Advisor Series ($)	11.99	37.81	66.27	150.84
Series H ($)	11.17	35.22	61.74	140.53
Series D ($)	6.25	19.71	34.55	78.64
Series F ($)	6.36	20.03	35.12	79.93
Series I ($)	5.33	16.80	29.45	67.04
Series O ($)	0.62	1.94	3.40	7.74

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC High Yield Bond Capital Class

Fund details

Type of fund	High yield bond fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O **Effective April 2, 2013, mutual fund shares of the fund are not available for purchase by investors.**
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.25%	0.03%
Advisor Series	1.25%	0.03%
Series H	1.10%	0.03%
Series D	0.90%	0.03%
Series F	0.75%	0.03%
Series I	0.60%	0.03%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide a high level of income with the potential for modest capital growth through exposure primarily to higher yielding corporate debt securities issued by Canadian and U.S. corporations.

The fund will obtain such exposure in one or more of the following ways:

– by investing directly in units of the RBC High Yield Bond LP (the *underlying fund*); or

– by investing directly in debt securities or units of the RBC High Yield Bond Trust (the *reference fund*).

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the underlying fund. The underlying fund may enter into one or more forward contracts (each, a *reference fund forward*) to gain exposure to the return of the reference fund. The fund may also invest in debt securities or units of the reference fund.

If, as is initially expected, the underlying fund enters into one or more reference fund forwards, or if the underlying fund purchases units of the reference fund, the return of the underlying fund in respect of such investment will be dependent upon the return of the reference fund. RBC GAM, as the portfolio manager of the reference fund:

› invests primarily in higher yielding debt securities rated from BBB to B (by Standard & Poor's or its equivalent), issued by Canadian and U.S. corporations;

› employs a value-focused philosophy for corporate bonds, striving to invest in quality companies having stable to improving credit profiles which are considered to be undervalued;

› conducts detailed company credit and industry analysis to identify investment opportunities offering high probabilities of superior rates of return while simultaneously minimizing default prospects;

- diversifies the portfolio so as not to be concentrated in any one issuer, industry, or credit rating, with the goal of balancing volatility with portfolio return optimization;
- may invest up to 10% of the reference fund's assets in units of other mutual funds managed by RBC GAM or an affiliate;
- may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the reference fund's exposure to changes in the value of foreign currencies relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets. The reference fund's foreign currency exposure is typically fully hedged;
- may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment;
- may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and
- may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Reference fund forward

It is expected that the underlying fund will enter into one or more reference fund forwards. If so, it will use the net proceeds received from purchases of its units to acquire a portfolio of Canadian securities. The underlying fund will then enter into a reference fund forward or forwards, pursuant to which the underlying fund will agree to sell to its counterparty or counterparties, on a specified date (the *scheduled termination date*), the portfolio of Canadian securities in exchange for an amount determined by reference to the value of a notional investment in units of its reference fund.

Each party will receive collateral as security for the obligations of the other under each reference fund forward.

During the term of the reference fund forward, the underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

The underlying fund will have the right to settle a reference fund forward in whole or in part to pay distributions, redemptions, expenses and other liabilities. A reference fund forward may be terminated prior to its scheduled termination date in certain circumstances, including by the counterparty if it is unable to hedge its exposure thereunder. If a reference fund forward is settled in whole or in part or is terminated prior to its scheduled termination date, RBC GAM may, subject to complying with any applicable notice requirements and obtaining any required approvals, on behalf of the underlying fund, enter into a replacement reference fund forward on terms satisfactory to it, terminate the underlying fund or take such other action as it considers to be in the best interests of the underlying fund and its investors.

Where the underlying fund obtains exposure to fixed-income securities through the use of a reference fund forward, the underlying fund expects that the investment return derived from the exposure will be treated as gains from the sale of Canadian securities and will be allocated to the Corporation as such. By reason of a tax election made by the Corporation, such gains will be treated as capital gains of the Corporation for tax purposes.

Additional information about the underlying fund and the reference fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives may be directly related to the ability of each of the underlying fund and the reference fund to achieve its objectives.

The risks of investing in the fund, which may include the risks of investing in the underlying fund and the reference fund, include the following:

- reference fund forward risk;
- interest rate risk;
- credit risk;
- currency risk;
- liquidity risk;
- derivative risk;
- multiple class and series risk;
- foreign investment risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

RBC High Yield Bond Capital Class

Who should invest in this fund?

This fund may be right for you if:

- you want exposure to higher yield debt securities to diversify the fixed-income portion of your overall portfolio;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the medium-to-long term and can tolerate low to medium investment risk (i.e. you can accept some fluctuations in the value of your investment); or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	14.86	46.85	82.12	186.94
Advisor Series ($)	14.86	46.85	82.12	186.94
Series H ($)	13.43	42.33	74.20	168.89
Series D ($)	11.07	34.90	61.17	139.24
Series F ($)	9.12	28.76	50.41	114.74
Series I ($)	7.69	24.23	42.48	96.69
Series O ($)	0.62	1.94	3.40	7.74

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

BlueBay Global Convertible Bond Class (Canada)

Fund details

Type of fund	Global bond fund
Date started	Series A – October 18, 2013 Advisor Series – October 18, 2013 Series H – October 18, 2013 Series D – October 18, 2013 Series F – October 18, 2013 Series I – October 18, 2013 Series O – October 18, 2013
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.70%	0.02%
Advisor Series	1.70%	0.02%
Series H	1.45%	0.02%
Series D	1.10%	0.02%
Series F	0.95%	0.02%
Series I	0.70%	0.02%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide total returns comprised of interest income and modest capital appreciation.

The fund invests primarily in global convertible bonds issued by entities domiciled or carrying out their business activities anywhere in the world, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the BlueBay Global Convertible Bond Fund (Canada) (the *underlying fund*).

The portfolio manager of the underlying fund:

› invests primarily in global convertible bond securities, both rated and unrated, issued by entities domiciled or carrying out their business activities anywhere in the world;

› conducts detailed company credit and equity analysis to identify investment opportunities offering high probabilities of superior rates of return while simultaneously minimizing the prospect of default;

› diversifies the portfolio so as not to be concentrated in any one issuer, industry, country or credit rating, with the goal of balancing volatility while optimizing regular income and overall returns;

› may also invest in common and preferred shares acquired either directly or as a result of restructuring or enhancement of a bond issue;

› may invest up to 10% of the underlying fund's assets in units of other mutual funds managed by RBC GAM or an affiliate;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the fund's exposure to changes in the value of foreign currencies relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets;

› may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment;

- may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and
- may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

- interest rate risk;
- credit risk;
- currency risk;
- liquidity risk;
- derivative risk;
- foreign investment risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

- you are seeking a combination of current income and capital growth potential;
- you want exposure to a portfolio of global convertible bonds to diversify the fixed-income portion of your overall portfolio;
- you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment);
- you are planning to hold your investment in a non-registered account; or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

Information regarding fund expenses indirectly borne by investors is not available because this fund was created on October 18, 2013.

Phillips, Hager & North Monthly Income Class

Fund details

Type of fund	Canadian balanced fund
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012 Advisor T5 Series – October 31, 2012 Series T5 – October 31, 2012 Series H – October 31, 2012 Series D – October 31, 2012 Series F – October 31, 2012 Series FT5 – October 31, 2012 Series I – October 31, 2012 Series O – October 17, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.65%	0.05%
Advisor Series	1.65%	0.05%
Advisor T5 Series	1.65%	0.05%
Series T5	1.65%	0.05%
Series H	1.50%	0.05%
Series D	0.90%	0.05%
Series F	0.65%	0.05%
Series FT5	0.65%	0.05%
Series I	0.50%	0.05%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide a relatively high level of income with the potential for modest capital growth.

The fund invests its assets primarily in a well-diversified balanced portfolio of income-producing equity securities, including common shares of Canadian companies that pay dividends and units of income trusts that pay distributions, and fixed-income securities such as preferred shares, government and corporate bonds, debentures and notes, either directly or indirectly through an investment in one or more other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the Phillips, Hager & North Monthly Income Fund and/or a combination of other mutual funds managed by RBC GAM (each, an *underlying fund*) to obtain exposure to:

› income-producing equity securities such as dividend-paying Canadian common shares and distribution-paying income trust units;

› fixed-income securities such as preferred shares, government and corporate bonds, including non-investment-grade corporate debt (rated below BBB- or not rated), debentures and notes, asset-backed commercial paper and mortgage-backed securities;

› other income-generating securities such as convertible bonds and convertible preferred shares; and

› an asset mix within broad pre-established guidelines for each asset class as set out in the following table:

Asset class	Target weighting
Fixed-income	50%
Equities	50%

› The percentage of the fund invested in each asset class may be adjusted based on changes in the market outlook for each asset class.

› The fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by National Instrument 81-102 – *Mutual Funds*:

– for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates and market indices; or

– for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

› The fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by the Canadian securities regulatory authorities, to earn additional income.

Information on each underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of each underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of an underlying fund include:

› market risk;

› issuer-specific risk;

› derivative risk;

› trust investments risk;

› capital erosion risk (Advisor T5 Series, Series T5 and Series FT5 only);

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you want exposure to a diversified portfolio of investments with the potential for modest capital growth;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the medium-to-long term and can tolerate low to medium investment risk (i.e. you can accept some fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. For all series other than Advisor T5 Series, Series T5 and Series FT5 mutual fund shares, ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Advisor T5 Series, Series T5 and Series FT5 mutual fund shares
For these series, the fund intends to make regular monthly distributions. The dollar amount of your monthly distribution is reset at the beginning of each calendar year. It is a factor of the payout rate for each series (which is expected to remain at or about 5%), the net asset value per mutual fund share as of the end of the previous calendar year, and the number of mutual fund shares of the series of the fund you own at the time of the distribution. Although not expected, we may also adjust the monthly distribution during the year, without prior notification, if capital market conditions have significantly affected the ability to maintain the payout rate for the mutual fund shares. You can get information on the current monthly distribution amount per mutual fund share from our website at www.rbcgam.com.

If the total regular monthly distributions for the year are less than the fund's ordinary dividends and capital gains dividends for the year, we will make an additional distribution of ordinary dividends in March and/or capital gains dividends within 60 days of year-end. These additional year-end distributions will be reinvested in additional mutual fund shares of the fund even if you have elected to receive your monthly distributions in cash.

Phillips, Hager & North Monthly Income Class

The total amount of distributions for these series for a year may exceed the share of the income and capital gains of that series earned by the fund in that year. This excess amount will be treated as a return of capital to the shareholder and will not be taxable to you in the year of receipt. The part of the distribution that is a return of capital will reduce the adjusted cost base per mutual fund share. If you hold your mutual fund shares in a non-registered account and if you receive your distributions in cash, the amount of the reduction in your adjusted cost base of your mutual fund shares will be realized as a larger capital gain (or reduced capital loss) in any year in which you redeem your mutual fund shares. If you hold your mutual fund shares in a registered account, the amount of the reduction in your adjusted cost base of your mutual fund shares will have no impact on the amount that is subject to tax when withdrawal from the registered account occurs. For further information on the tax implications you should consult your tax advisor. These mutual fund shares are designed primarily to be held in a non-registered account.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	20.30	63.98	112.14	255.27
Advisor Series ($)	20.30	63.98	112.14	255.27
Advisor T5 Series ($)	20.19	63.66	111.58	253.98
Series T5 ($)	20.30	63.98	112.14	255.27
Series H ($)	18.86	59.46	104.21	237.22
Series D ($)	11.58	36.51	64.00	145.68
Series F ($)	8.71	27.47	48.14	109.58
Series FT5 ($)	8.71	27.47	48.14	109.58
Series I ($)	7.18	22.62	39.65	90.25
Series O ($)	–	–	–	–

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

2 Information regarding fund expenses indirectly borne by investors for Series O mutual fund shares is not available because Series O mutual fund shares of the fund were not offered prior to October 18, 2013.

RBC Select Very Conservative Class

Fund details

Type of fund	Strategic asset allocation fund
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012 Series F – October 31, 2012 Series O – October 17, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series F and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	The management fee payable in respect of Series A, Advisor Series, and Series F mutual fund shares of the portfolio is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio (the *MER*), other than the additional cost of the HST, will be equal to a specified percentage of the average net asset value of Series A, Advisor Series and Series F mutual fund shares, as applicable, of the portfolio. The specified percentage will be 1.60% for Series A and Advisor Series and 0.70% for Series F, and includes, in each case, the portfolio's management fee, administration fee of 0.05%, taxes (other than the additional cost of the HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the HST is not included in the specified percentages above, the MER will be higher than the specified percentages by a percentage which reflects the additional cost of the HST. For Series O mutual fund shares, the fixed administration fee is 0.02% and the management fee is negotiable and paid directly to RBC GAM.*

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the portfolio in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

This portfolio is a strategic asset allocation fund. It focuses on providing income and the potential for modest capital growth. It does this by investing primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the *underlying funds*), emphasizing mutual funds that invest in fixed-income securities, with some exposure to mutual funds that invest in equity securities. The portfolio invests in a mix of Canadian, U.S. and international funds.

We will not change the fundamental investment objectives of the portfolio unless we have the consent of a majority of the voting shareholders of the portfolio to do so.

Investment strategies

The underlying funds are managed by RBC GAM or an affiliate of RBC GAM. The portfolio manager uses strategic asset allocation as the principal investment strategy. The portfolio manager:

- selects the underlying funds for inclusion in the portfolio;
- allocates assets among the underlying funds within the target weightings set for the portfolio (excluding cash and cash equivalents); and
- rebalances the portfolio's assets among the underlying funds to ensure the portfolio always stays within its target weightings.

The decision to invest in an underlying fund is based on the portfolio manager's assessment of the market outlook and the underlying fund's ability to help the portfolio meet its stated investment objectives.

RBC Select Very Conservative Class

The following table shows you the target weighting for each asset class.

Asset class	Target weighting
Fixed-income	80%
Canadian equities	10%
U.S. equities	5%
International equities	5%

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will not be more than 15% above or below the target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the Canadian equities, U.S. equities and international equities asset classes.

The portfolio may invest in one or more underlying funds, each of which may enter into forward contracts or other derivative instruments to provide an economic return similar to that which would be achieved by an investment in units of a reference fund. Each reference fund invests directly in fixed-income securities. See *What is a mutual fund and what are the risks of investing in a mutual fund? – Reference fund forward risk* on page 6.

A listing of the underlying funds in which the portfolio is currently invested, including their current allocation, as well as information on the underlying funds managed by RBC GAM, is available on our website at www.rbcgam.com.

In order to adjust the portfolio's asset mix in a more timely manner, the portfolio manager may use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment in a particular market, on a short-term basis, until the portfolio's assets can be reallocated among the underlying funds.

The portfolio manager may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9.

What are the risks of investing in the fund?

The portfolio uses an asset allocation strategy. Investing in a mix of different mutual funds helps to reduce volatility, but it also means that the portfolio's performance depends directly on the performance of the underlying funds in which it invests.

The portfolio's ability to achieve its investment objectives is directly related to the ability of the underlying funds to achieve their objectives.

The risks of investing in this portfolio are similar to the risks of investing in the underlying funds it holds. The portfolio generally takes on the risks of the underlying fund in proportion to its investment in the underlying fund. It may also take on certain of these risks directly. The risks of the underlying funds include:

- interest rate risk;
- credit risk;
- reference fund forward risk;
- market risk;
- foreign investment risk;
- currency risk;
- specialization risk;
- issuer-specific risk;
- derivative risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

RBC Select Very Conservative Class

Who should invest in this fund?

This portfolio may be right for you if:

- you want a conservative investment with a focus on fixed-income securities that combines income and modest capital growth potential;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the medium-to-long term and can tolerate low to medium investment risk (i.e. you can accept some fluctuations in the value of your investment);
- you prefer a lower level of involvement in investment decisions; or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	17.63	55.58	97.42	221.75
Advisor Series ($)	17.73	55.90	97.98	223.04
Series F ($)	7.69	24.23	42.48	96.69
Series O ($)	–	–	–	–

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

2 Information regarding fund expenses indirectly borne by investors for Series O mutual fund shares is not available because Series O mutual fund shares of the fund were not offered prior to October 18, 2013.

RBC Select Conservative Class

Fund details

Type of fund	Strategic asset allocation fund	
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012	Series F – October 31, 2012 Series O – October 17, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series F and Series O	
Registered plan eligibility	Eligible for registered plans.	
Fees and expenses	The management fee payable in respect of Series A, Advisor Series, and Series F mutual fund shares of the portfolio is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio (the *MER*), other than the additional cost of the HST, will be equal to a specified percentage of the average net asset value of Series A, Advisor Series and Series F mutual fund shares, as applicable, of the portfolio. The specified percentage will be 1.75% for Series A and Advisor Series and 0.75% for Series F, and includes, in each case, the portfolio's management fee, administration fee of 0.05%, taxes (other than the additional cost of the HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the HST is not included in the specified percentages above, the MER will be higher than the specified percentages by a percentage which reflects the additional cost of the HST. For Series O mutual fund shares, the fixed administration fee is 0.02% and the management fee is negotiable and paid directly to RBC GAM.*	

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the portfolio in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

This portfolio is a strategic asset allocation fund. It focuses on providing income and the potential for moderate capital growth. It does this by maintaining a balance of investments across several asset classes.

The portfolio invests primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the *underlying funds*), emphasizing mutual funds that invest in Canadian fixed-income securities and have the potential to generate income. It also invests in equity mutual funds, with an emphasis on Canadian equity funds and some exposure to U.S. and international equity funds.

We will not change the fundamental investment objectives of the portfolio unless we have the consent of a majority of the voting shareholders of the portfolio to do so.

Investment strategies

The underlying funds are managed by RBC GAM or an affiliate of RBC GAM. The portfolio manager uses strategic asset allocation as the principal investment strategy. The portfolio manager:

- selects the underlying funds for inclusion in the portfolio;
- allocates assets among the underlying funds within the target weightings set for the portfolio (excluding cash and cash equivalents); and
- rebalances the portfolio's assets among the underlying funds to ensure the portfolio always stays within its target weightings.

The decision to invest in an underlying fund is based on the portfolio manager's assessment of the market outlook and the underlying fund's ability to help the portfolio meet its stated investment objectives.

The following table shows you the target weighting for each asset class.

Asset class	Target weighting
Fixed-income	65%
Canadian equities	15%
U.S. equities	10%
International equities	10%

RBC Select Conservative Class

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will not be more than 15% above or below the target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the Canadian equities, U.S. equities and international equities asset classes.

The portfolio may invest in one or more underlying funds, each of which may enter into forward contracts or other derivative instruments to provide an economic return similar to that which would be achieved by an investment in units of a reference fund. Each reference fund invests directly in fixed-income securities. See *What is a mutual fund and what are the risks of investing in a mutual fund? – Reference fund forward risk* on page 6.

A listing of the underlying funds in which the portfolio is currently invested, including their current allocation, as well as information on the underlying funds managed by RBC GAM, is available on our website at www.rbcgam.com.

In order to adjust the portfolio's asset mix in a more timely manner, the portfolio manager may use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment in a particular market, on a short-term basis, until the portfolio's assets can be reallocated among the underlying funds.

The portfolio manager may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9.

What are the risks of investing in the fund?

The portfolio uses an asset allocation strategy. Investing in a mix of different mutual funds helps to reduce volatility, but it also means that the portfolio's performance depends directly on the performance of the underlying funds in which it invests.

The portfolio's ability to achieve its investment objectives is directly related to the ability of the underlying funds to achieve their objectives.

The risks of investing in this portfolio are similar to the risks of investing in the underlying funds it holds. The portfolio generally takes on the risks of the underlying fund in proportion to its investment in the underlying fund. It may also take on certain of these risks directly. The risks of the underlying funds include:

- interest rate risk;
- market risk;
- credit risk;
- reference fund forward risk;
- foreign investment risk;
- currency risk;
- specialization risk;
- small-cap risk;
- issuer-specific risk;
- trust investments risk;
- derivative risk;
- liquidity risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

RBC Select Conservative Class

Who should invest in this fund?

This portfolio may be right for you if:

- you want an investment that combines income and moderate capital growth potential;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the medium-to-long term and can tolerate low to medium investment risk (i.e. you can accept some fluctuations in the value of your investment);
- you prefer a lower level of involvement in investment decisions; or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	19.27	60.75	106.48	242.38
Advisor Series ($)	19.27	60.75	106.48	242.38
Series F ($)	8.30	26.17	45.88	104.43
Series O ($)	–	–	–	–

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

2 Information regarding fund expenses indirectly borne by investors for Series O mutual fund shares is not available because Series O mutual fund shares of the fund were not offered prior to October 18, 2013.

RBC Select Balanced Class

Fund details

Type of fund	Strategic asset allocation fund
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012 Series F – October 31, 2012 Series O – October 17, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series F and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	The management fee payable in respect of Series A, Advisor Series, and Series F mutual fund shares of the portfolio is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio (the *MER*), other than the additional cost of the HST, will be equal to a specified percentage of the average net asset value of Series A, Advisor Series and Series F mutual fund shares, as applicable, of the portfolio. The specified percentage will be 1.85% for Series A and Advisor Series and 0.85% for Series F, and includes, in each case, the portfolio's management fee, administration fee of 0.05%, taxes (other than the additional cost of the HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the HST is not included in the specified percentages above, the MER will be higher than the specified percentages by a percentage which reflects the additional cost of the HST. For Series O mutual fund shares, the fixed administration fee is 0.02% and the management fee is negotiable and paid directly to RBC GAM.*

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the portfolio in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

This portfolio is a strategic asset allocation fund. It focuses on providing long-term capital growth, with a secondary focus on modest income. It does this by maintaining a balance of investments across several asset classes.

The portfolio invests primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the *underlying funds*), investing in equity mutual funds for higher growth potential and fixed-income mutual funds for diversification and the potential to generate income. The fixed-income portion of the portfolio invests primarily in Canadian fixed-income funds. The equity portion of the portfolio invests in a diversified mix of Canadian, U.S. and international equity funds.

We will not change the fundamental investment objectives of the portfolio unless we have the consent of a majority of the voting shareholders of the portfolio to do so.

Investment strategies

The underlying funds are managed by RBC GAM or an affiliate of RBC GAM. The portfolio manager uses strategic asset allocation as the principal investment strategy. The portfolio manager:

- selects the underlying funds for inclusion in the portfolio;
- allocates assets among the underlying funds within the target weightings set for the portfolio (excluding cash and cash equivalents); and
- rebalances the portfolio's assets among the underlying funds to ensure the portfolio always stays within its target weightings.

The decision to invest in an underlying fund is based on the portfolio manager's assessment of the market outlook and the underlying fund's ability to help the portfolio meet its stated investment objectives.

The following table shows you the target weighting for each asset class.

Asset class	Target weighting
Fixed-income	45%
Canadian equities	20%
U.S. equities	20%
International equities	15%

RBC Select Balanced Class

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will not be more than 15% above or below the target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the Canadian equities, U.S. equities and international equities asset classes.

The portfolio may invest in one or more underlying funds, each of which may enter into forward contracts or other derivative instruments to provide an economic return similar to that which would be achieved by an investment in units of a reference fund. Each reference fund invests directly in fixed-income securities. See *What is a mutual fund and what are the risks of investing in a mutual fund? – Reference fund forward risk* on page 6.

A listing of the underlying funds in which the portfolio is currently invested, including their current allocation, as well as information on the underlying funds managed by RBC GAM, is available on our website at www.rbcgam.com.

In order to adjust the portfolio's asset mix in a more timely manner, the portfolio manager may use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment in a particular market, on a short-term basis, until the portfolio's assets can be reallocated among the underlying funds.

The portfolio manager may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9.

What are the risks of investing in the fund?

The portfolio uses an asset allocation strategy. Investing in a mix of different mutual funds helps to reduce volatility, but it also means that the portfolio's performance depends directly on the performance of the underlying funds in which it invests.

The portfolio's ability to achieve its investment objectives is directly related to the ability of the underlying funds to achieve their objectives.

The risks of investing in this portfolio are similar to the risks of investing in the underlying funds it holds. The portfolio generally takes on the risks of the underlying fund in proportion to its investment in the underlying fund. It may also take on certain of these risks directly. The risks of the underlying funds include:

- interest rate risk;
- market risk;
- credit risk;
- reference fund forward risk;
- foreign investment risk;
- currency risk;
- specialization risk;
- small-cap risk;
- issuer-specific risk;
- trust investments risk;
- derivative risk;
- liquidity risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

RBC Select Balanced Class

Who should invest in this fund?

This portfolio may be right for you if:

- you want an investment that combines capital growth and modest income potential;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the medium-to-long term and can tolerate low to medium investment risk (i.e. you can accept some fluctuations in the value of your investment);
- you prefer a lower level of involvement in investment decisions: or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	20.30	63.98	112.14	255.27
Advisor Series ($)	20.30	63.98	112.14	255.27
Series F ($)	9.33	29.40	51.54	117.32
Series O ($)	–	–	–	–

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

2 Information regarding fund expenses indirectly borne by investors for Series O mutual fund shares is not available because Series O mutual fund shares of the fund were not offered prior to October 18, 2013.

RBC Select Growth Class

Fund details

Type of fund	Strategic asset allocation fund
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012 Series F – October 31, 2012 Series O – October 17, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series F and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	The management fee payable in respect of Series A, Advisor Series, and Series F mutual fund shares of the portfolio is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio (the *MER*), other than the additional cost of the HST, will be equal to a specified percentage of the average net asset value of Series A, Advisor Series and Series F mutual fund shares, as applicable, of the portfolio. The specified percentage will be 1.95% for Series A and Advisor Series and 0.95% for Series F, and includes, in each case, the portfolio's management fee, administration fee of 0.05%, taxes (other than the additional cost of the HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the HST is not included in the specified percentages above, the MER will be higher than the specified percentages by a percentage which reflects the additional cost of the HST. For Series O mutual fund shares, the fixed administration fee is 0.02% and the management fee is negotiable and paid directly to RBC GAM.*

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the portfolio in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

This portfolio is a strategic asset allocation fund. It focuses on providing long-term capital growth. It does this by investing primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the *underlying funds*), emphasizing equity mutual funds for higher growth potential, with some exposure to fixed-income mutual funds for diversification. The portfolio invests in a diversified mix of Canadian, U.S. and international funds.

We will not change the fundamental investment objectives of the portfolio unless we have the consent of a majority of the voting shareholders of the portfolio to do so.

Investment strategies

The underlying funds are managed by RBC GAM or an affiliate of RBC GAM. The portfolio manager uses strategic asset allocation as the principal investment strategy. The portfolio manager:

- selects the underlying funds for inclusion in the portfolio;
- allocates assets among the underlying funds within the target weightings set for the portfolio (excluding cash and cash equivalents); and
- rebalances the portfolio's assets among the underlying funds to ensure the portfolio always stays within its target weightings.

The decision to invest in an underlying fund is based on the portfolio manager's assessment of the market outlook and the underlying fund's ability to help the portfolio meet its stated investment objectives.

The following table shows you the target weighting for each asset class.

Asset class	Target weighting
Fixed-income	30%
Canadian equities	25%
U.S. equities	25%
International equities	20%

RBC Select Growth Class

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will not be more than 15% above or below the target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the Canadian equities, U.S. equities and international equities asset classes.

The portfolio may invest in one or more underlying funds, each of which may enter into forward contracts or other derivative instruments to provide an economic return similar to that which would be achieved by an investment in units of a reference fund. Each reference fund invests directly in fixed-income securities. See *What is a mutual fund and what are the risks of investing in a mutual fund? – Reference fund forward risk* on page 6.

A listing of the underlying funds in which the portfolio is currently invested, including their current allocation, as well as information on the underlying funds managed by RBC GAM, is available on our website at www.rbcgam.com.

In order to adjust the portfolio's asset mix in a more timely manner, the portfolio manager may use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment in a particular market, on a short-term basis, until the portfolio's assets can be reallocated among the underlying funds.

The portfolio manager may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9.

What are the risks of investing in the fund?

The portfolio uses an asset allocation strategy. Investing in a mix of different mutual funds helps to reduce volatility, but it also means that the portfolio's performance depends directly on the performance of the underlying funds in which it invests.

The portfolio's ability to achieve its investment objectives is directly related to the ability of the underlying funds to achieve their objectives.

The risks of investing in this portfolio are similar to the risks of investing in the underlying funds it holds. The portfolio generally takes on the risks of the underlying fund in proportion to its investment in the underlying fund. It may also take on certain of these risks directly. The risks of the underlying funds include:

- market risk;
- interest rate risk;
- credit risk;
- reference fund forward risk;
- foreign investment risk;
- currency risk;
- specialization risk;
- small-cap risk;
- issuer-specific risk;
- trust investments risk;
- derivative risk;
- liquidity risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

RBC Select Growth Class

Who should invest in this fund?

This portfolio may be right for you if:

- you want the potential for long-term capital growth and do not need income from your investment;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the long term and can tolerate low to medium investment risk (i.e. you can accept some fluctuations in the value of your investment);
- you prefer a lower level of involvement in investment decisions; or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.42	67.53	118.37	269.45
Advisor Series ($)	21.42	67.53	118.37	269.45
Series F ($)	10.46	32.96	57.77	131.50
Series O ($)	–	–	–	–

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

2 Information regarding fund expenses indirectly borne by investors for Series O mutual fund shares is not available because Series O mutual fund shares of the fund were not offered prior to October 18, 2013.

RBC Select Aggressive Growth Class

Fund details

Type of fund	Strategic asset allocation fund
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012 Series F – October 31, 2012 Series O – October 17, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series F and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	The management fee payable in respect of Series A, Advisor Series, and Series F mutual fund shares of the portfolio is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio (the *MER*), other than the additional cost of the HST, will be equal to a specified percentage of the average net asset value of Series A, Advisor Series and Series F mutual fund shares, as applicable, of the portfolio. The specified percentage will be 2.05% for Series A and Advisor Series and 1.05% for Series F, and includes, in each case, the portfolio's management fee, administration fee of 0.05%, taxes (other than the additional cost of the HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the HST is not included in the specified percentages above, the MER will be higher than the specified percentages by a percentage which reflects the additional cost of the HST. For Series O mutual fund shares, the fixed administration fee is 0.02% and the management fee is negotiable and paid directly to RBC GAM.*

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the portfolio in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

This portfolio is a strategic asset allocation fund. It focuses on providing long-term capital growth. It does this by investing primarily in units of funds managed by RBC GAM or an affiliate of RBC GAM (called the *underlying funds*), emphasizing equity mutual funds for higher growth potential. The portfolio invests in a diversified mix of Canadian, U.S. and international funds.

We will not change the fundamental investment objectives of the portfolio unless we have the consent of a majority of the voting shareholders of the portfolio to do so.

Investment strategies

The underlying funds are managed by RBC GAM or an affiliate of RBC GAM. The portfolio manager uses strategic asset allocation as the principal investment strategy. The portfolio manager:

- selects the underlying funds for inclusion in the portfolio;
- allocates assets among the underlying funds within the target weightings set for the portfolio (excluding cash and cash equivalents); and
- rebalances the portfolio's assets among the underlying funds to ensure the portfolio always stays within its target weightings.

The decision to invest in an underlying fund is based on the portfolio manager's assessment of the market outlook and the underlying fund's ability to help the portfolio meet its stated investment objectives.

The following table shows you the target weighting for each asset class.

Asset class	Target weighting
Canadian equities	35%
U.S. equities	35%
International equities	30%

RBC Select Aggressive Growth Class

The percentages specified above are target weightings for each asset class. We will manage the allocation to an asset class so that it will not be more than 10% above or below the target weighting.

A listing of the underlying funds in which the portfolio is currently invested, including their current allocation, as well as information on the underlying funds managed by RBC GAM, is available on our website at www.rbcgam.com.

In order to adjust the portfolio's asset mix in a more timely manner, the portfolio manager may use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment in a particular market, on a short-term basis, until the portfolio's assets can be reallocated among the underlying funds.

The portfolio manager may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9.

What are the risks of investing in the fund?

The portfolio uses an asset allocation strategy. Investing in a mix of different mutual funds helps to reduce volatility, but it also means that the portfolio's performance depends directly on the performance of the underlying funds in which it invests.

The portfolio's ability to achieve its investment objectives is directly related to the ability of the underlying funds to achieve their objectives.

The risks of investing in this portfolio are similar to the risks of investing in the underlying funds it holds. The portfolio generally takes on the risks of the underlying fund in proportion to its investment in the underlying fund. It may also take on certain of these risks directly. The risks of the underlying funds include:

- market risk;
- interest rate risk;
- credit risk;
- foreign investment risk;
- currency risk;
- specialization risk;
- small-cap risk;
- issuer-specific risk;
- trust investments risk;
- derivative risk;
- liquidity risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This portfolio may be right for you if:

- you want to maximize long-term growth opportunities and do not need income from your investment;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment);
- you prefer a lower level of involvement in investment decisions; or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

RBC Select Aggressive Growth Class

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	22.55	71.09	124.60	283.63
Advisor Series ($)	22.55	71.09	124.60	283.63
Series F ($)	11.58	36.51	64.00	145.68
Series O ($)	–	–	–	–

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

2 Information regarding fund expenses indirectly borne by investors for Series O mutual fund shares is not available because Series O mutual fund shares of the fund were not offered prior to October 18, 2013.

RBC Canadian Dividend Class

Fund details

Type of fund	Canadian dividend fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.50%	0.06%
Advisor Series	1.50%	0.06%
Series H	1.45%	0.04%
Series D	1.00%	0.04%
Series F	0.75%	0.04%
Series I	0.60%	0.04%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To achieve long-term total returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividends from Canadian companies, and modest long-term capital growth.

The fund invests its assets primarily in common and preferred shares of major Canadian companies with above average dividend yields either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Private Canadian Dividend Pool and/or the RBC Canadian Dividend Fund (each, an *underlying fund*).

The portfolio manager of an underlying fund:

› selects companies with long-term prospects of growing their dividends or with potential for such special events as stock buybacks, takeovers and special dividends;

› tends to focus on interest-sensitive securities to achieve dividend income, primarily investing in the Financials, Telecommunications Services and Utilities sectors;

› may invest in fixed-income securities such as government bonds, corporate bonds and treasury bills;

› may invest in preferred shares and convertible bonds;

› may invest no more than 25% of the underlying fund's assets in foreign securities and foreign currencies;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates;

› may also use derivatives for non-hedging purposes as a substitute for direct investment;

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9;

› may participate in securities lending transactions; and

› may enter into repurchase and reverse repurchase transactions as a short-term cash management tool.

Information on each underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of each underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of an underlying fund include:

› market risk;

› issuer-specific risk;

› interest rate risk;

› derivative risk;

› trust investments risk;

› credit risk;

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you want potential for modest long-term growth from your investment;

› you want a Canadian equity fund that invests in a broad range of established companies;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	18.45	58.16	101.95	232.06
Advisor Series ($)	18.35	57.84	101.38	230.77
Series H ($)	17.94	56.55	99.12	225.62
Series D ($)	12.61	39.75	69.66	158.58
Series F ($)	9.94	31.34	54.94	125.06
Series I ($)	8.30	26.17	45.88	104.43
Series O ($)	1.13	3.55	6.23	14.18

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC Canadian Equity Class

Fund details

Type of fund	Canadian equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.75%	0.06%
Advisor Series	1.75%	0.06%
Series H	1.65%	0.04%
Series D	1.00%	0.04%
Series F	0.75%	0.04%
Series I	0.60%	0.04%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests primarily in equity securities of major Canadian companies either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Private Canadian Equity Pool and/or the RBC Canadian Equity Fund (each, an *underlying fund*).

The portfolio manager of an underlying fund:

› invests primarily in large-cap Canadian equities, although the portfolio manager may take advantage of opportunities in mid-cap companies;

› seeks, monitors and reviews sectors and companies that offer the best relative value on a risk-reward basis;

› diversifies the underlying fund across the S&P/TSX industry sectors, within minimum and maximum exposures. Any sub-index comprising less than 5% of the S&P/TSX may be periodically omitted if conditions warrant;

› may invest no more than 25% of the underlying fund's assets in foreign securities and foreign currencies;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates;

› may also use derivatives for non-hedging purposes as a substitute for direct investment;

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9;

› may participate in securities lending transactions; and

› may enter into repurchase and reverse repurchase transactions as a short-term cash management tool.

Information on each underlying fund is available at www.rbcgam.com.

RBC Canadian Equity Class

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of each underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of an underlying fund include:

- market risk;
- issuer-specific risk;
- derivative risk;
- trust investments risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

- you want potential for long-term growth from your investment;
- you are looking for a core Canadian equity investment for your portfolio;
- you want a broadly diversified, high-quality Canadian equity fund;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.32	67.21	117.81	268.16
Advisor Series ($)	21.63	68.18	119.51	272.03
Series H ($)	19.68	62.04	108.74	247.53
Series D ($)	12.61	39.75	69.66	158.58
Series F ($)	9.84	31.02	54.37	123.77
Series I ($)	7.48	23.59	41.35	94.11
Series O ($)	1.03	3.23	5.66	12.89

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC Canadian Equity Income Class

Fund details

Type of fund	Canadian equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.75%	0.13%
Advisor Series	1.75%	0.13%
Series H	1.65%	0.05%
Series D	1.00%	0.08%
Series F	0.75%	0.08%
Series I	0.60%	0.05%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests primarily in a diversified portfolio of Canadian securities, including, but not limited to, common and preferred shares of Canadian companies that pay dividends, real estate investment trusts, and income trusts either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Canadian Equity Income Fund (the *underlying fund*).

The portfolio manager of the underlying fund:

› invests in a diversified portfolio of income-producing Canadian securities, including common and preferred shares that pay dividends, real estate investment trusts, and income trusts;

› when selecting common or preferred shares, seeks companies with above average dividend yields or with long-term prospects of initiating or growing their dividends;

› when choosing income trust securities, seeks strong businesses with the ability to maintain and grow distributions while maintaining sufficient cash flow for organic growth opportunities;

› may also invest in fixed-income securities, including up to 10% in non-investment grade corporate debt (high yield) rated below BBB- by Standard & Poor's (or an equivalent rating agency);

› may invest no more than 25% of the underlying fund's assets in foreign securities;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates;

› may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment or to generate income;

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and

› may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

› market risk;

› issuer-specific risk;

› interest rate risk;

› credit risk;

› foreign investment risk;

› currency risk, to the extent the underlying fund invests in foreign securities;

› derivative risk;

› trust investments risk;

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you want a diversified fund with potential for modest capital growth;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.73	68.50	120.07	273.32
Advisor Series ($)	21.63	68.18	119.51	272.03
Series H ($)	20.09	63.33	111.01	252.69
Series D ($)	12.71	40.07	70.23	159.87
Series F ($)	9.84	31.02	54.37	123.77
Series I ($)	8.00	25.20	44.18	100.56
Series O ($)	0.72	2.26	3.96	9.02

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC Canadian Mid-Cap Equity Class

Fund details

Type of fund	Canadian equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.75%	0.05%
Advisor Series	1.75%	0.05%
Series H	1.65%	0.05%
Series D	1.00%	0.05%
Series F	0.75%	0.05%
Series I	0.60%	0.05%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests its assets primarily in equity securities of mid-sized Canadian companies that offer above average prospects for growth and may also invest in smaller capitalization companies that have adequate liquidity, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Private Canadian Mid-Cap Equity Pool (the *underlying fund*).

The portfolio manager of the underlying fund:

› focuses on companies with a history of high growth in sales and earnings, with above average prospects for continued growth;

› selects companies with strong management, focused business models and a competitive advantage;

› diversifies the underlying fund across industry groups and may invest in large-, mid- and small-capitalization companies;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates;

› may also use derivatives for non-hedging purposes as a substitute for direct investment;

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9;

› may invest no more than 25% of the underlying fund's assets in foreign securities and foreign currencies;

› may participate in securities lending transactions; and

› may enter into repurchase and reverse repurchase transactions as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

RBC Canadian Mid-Cap Equity Class

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

- market risk;
- issuer-specific risk;
- specialization risk;
- small-cap risk;
- derivative risk;
- trust investments risk;
- foreign investment risk;
- currency risk;
- liquidity risk;
- multiple class and series risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

- you want potential for long-term growth;
- you are looking for a growth component to the Canadian equity portion of a portfolio;
- you want to diversify a portfolio by market capitalization;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold the investment for the long term and can tolerate medium to high investment risk (i.e. you can accept considerable fluctuations in the value of the investment); or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.73	68.50	120.07	273.32
Advisor Series ($)	20.71	65.27	114.41	260.43
Series H ($)	19.68	62.04	108.74	247.53
Series D ($)	13.12	41.36	72.50	165.02
Series F ($)	9.84	31.02	54.37	123.77
Series I ($)	8.00	25.20	44.18	100.56
Series O ($)	1.54	4.85	8.50	19.34

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC North American Value Class

Fund details

Type of fund	North American equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.75%	0.13%
Advisor Series	1.75%	0.13%
Series H	1.65%	0.05%
Series D	1.00%	0.08%
Series F	0.75%	0.08%
Series I	0.60%	0.05%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests its assets primarily in equity securities of Canadian and/or U.S. companies priced below their true value and offering long-term opportunities for growth either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC North American Value Fund (the *underlying fund*).

The portfolio manager of the underlying fund:

› applies a bottom-up stock selection process to identify quality companies that are undervalued based on criteria such as assets, earnings and cash flow;

› reviews the financial statistics of each company to determine if the stock is priced below its fundamental value or relative to similar companies;

› uses a value investment approach which focuses on buying undervalued securities and therefore should provide a lower level of volatility than a portfolio of growth oriented stocks;

› reviews economic, industry and company-specific information to assess the prospects for the company;

› monitors and reviews companies on an ongoing basis to ensure that the best relative values are identified;

› may invest in fixed-income securities or cash to protect value in certain market conditions;

› may also invest in income trusts;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the underlying fund's exposure to changes in the value of the U.S. dollar relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets;

› may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment;

RBC North American Value Class

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and

› may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

› market risk;

› issuer-specific risk;

› specialization risk;

› foreign investment risk;

› currency risk;

› derivative risk;

› trust investments risk;

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you want potential for long-term growth from your investment;

› you are looking for a value component for the equity portion of your portfolio;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.73	68.50	120.07	273.32
Advisor Series ($)	21.63	68.18	119.51	272.03
Series H ($)	19.89	62.69	109.88	250.11
Series D ($)	12.81	40.39	70.80	161.15
Series F ($)	9.94	31.34	54.94	125.06
Series I ($)	8.00	25.20	44.18	100.56
Series O ($)	0.62	1.94	3.40	7.74

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC U.S. Dividend Class

Fund details

Type of fund	U.S. equity fund
Date started	Series A – October 31, 2012 Advisor Series – October 31, 2012 Series H – October 31, 2012 Series D – October 31, 2012 Series F – October 31, 2012 Series I – October 31, 2012 Series O – October 17, 2012
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.75%	0.13%
Advisor Series	1.75%	0.13%
Series H	1.65%	0.05%
Series D	1.00%	0.08%
Series F	0.75%	0.08%
Series I	0.60%	0.05%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To achieve long-term capital growth and regular dividend income.

The fund invests its assets primarily in common and preferred shares of U.S. companies with above average dividend yields either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC U.S. Dividend Fund (the *underlying fund*).

The portfolio manager of the underlying fund:

› selects companies with long-term prospects of growing their dividends or with potential for such special events as stock buybacks, takeovers and special dividends;

› may invest in fixed-income securities such as government bonds, corporate bonds and treasury bills;

› monitors and reviews investments on an ongoing basis to ensure that the best relative values are identified;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the underlying fund's exposure to changes in the value of the U.S. dollar relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets;

› may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment or to generate income;

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and

› may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

RBC U.S. Dividend Class

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

- market risk;
- interest rate;
- credit risk;
- multiple class and series risk;
- foreign investment risk;
- currency risk;
- derivative risk;
- trust investments risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

- you want potential for modest long-term growth from your investment;
- you want exposure to U.S. companies with above average dividend yields;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.94	69.15	121.20	275.90
Advisor Series ($)	21.94	69.15	121.20	275.90
Series H ($)	19.58	61.72	108.18	246.24
Series D ($)	13.02	41.04	71.93	163.73
Series F ($)	9.84	31.02	54.37	123.77
Series I ($)	7.38	23.27	40.78	92.82
Series O ($)	–	–	–	–

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

2 Information regarding fund expenses indirectly borne by investors for Series O mutual fund shares is not available because Series O mutual fund shares of the fund were not offered prior to October 18, 2013.

RBC U.S. Equity Class

Fund details

Type of fund	U.S. equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.75%	0.10%
Advisor Series	1.75%	0.10%
Series H	1.65%	0.05%
Series D	1.00%	0.05%
Series F	0.75%	0.05%
Series I	0.60%	0.05%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests its assets primarily in equity securities of major U.S. companies either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Private U.S. Equity Pool and/or the RBC U.S. Equity Fund (each, an *underlying fund*).

The portfolio manager of an underlying fund:

› invests primarily in S&P 500 Index constituent stocks;

› seeks, monitors and reviews sectors and companies that offer the best relative value on a risk-reward basis;

› selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow;

› diversifies the underlying fund across industries with minimum and maximum exposures for each sector;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the underlying fund's exposure to changes in the value of the U.S. dollar relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets;

› may also use derivatives for non-hedging purposes as a substitute for direct investment;

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and

› may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on each underlying fund is available at www.rbcgam.com.

RBC U.S. Equity Class

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of each underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of an underlying fund include:

› market risk;

› issuer-specific risk;

› foreign investment risk;

› currency risk;

› derivative risk;

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you are looking for a core U.S. equity investment for your portfolio;

› you want potential for long-term growth from your investment;

› you want a broadly diversified, high-quality U.S. equity fund;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.83	68.83	120.64	274.61
Advisor Series ($)	22.04	69.47	121.77	277.19
Series H ($)	19.07	60.10	105.35	239.80
Series D ($)	12.81	40.39	70.80	161.15
Series F ($)	9.94	31.34	54.94	125.06
Series I ($)	7.79	24.56	43.04	97.98
Series O ($)	1.03	3.23	5.66	12.89

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class

Fund details

Type of fund	U.S. equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.75%	0.05%
Advisor Series	1.75%	0.05%
Series H	1.60%	0.05%
Series D	1.00%	0.05%
Series F	0.75%	0.05%
Series I	0.60%	0.05%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests its assets primarily in a well-diversified portfolio of U.S. equity securities either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund (the *underlying fund*).

The portfolio manager of the underlying fund:

› invests in U.S. equity securities with the objective of building a portfolio that encompasses multiple investment styles. The underlying fund's portfolio will be comprised of investment styles which are managed as separate portfolios within the underlying fund and may include: U.S. Large-Cap Growth, U.S. Mid-Cap Growth, U.S. Large-Cap Value, U.S. Mid-Cap Value, U.S. Small/Mid-Cap Growth and U.S. Small-Cap Core;

› may use derivatives, such as swaps, options, futures and forward contracts, as permitted by National Instrument 81-102 – *Mutual Funds*:

– for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

– for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;

› may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by the Canadian securities regulatory authorities, to earn additional income; and

› may from time to time invest up to 10% of the underlying fund's net assets in other mutual funds managed by RBC GAM.

Information on the underlying fund is available at www.rbcgam.com.

Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

› market risk;

› issuer-specific risk;

› foreign market risk;

› small-cap risk;

› liquidity risk;

› currency risk;

› derivative risk;

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you are looking for a core U.S. equity investment for your portfolio;

› you want potential for long-term growth from your investment;

› you want a broadly diversified, high-quality U.S. equity fund;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	21.01	66.24	116.11	264.29
Advisor Series ($)	21.22	66.89	117.24	266.87
Series H ($)	19.68	62.04	108.74	247.53
Series D ($)	12.71	40.07	70.23	159.87
Series F ($)	9.94	31.34	54.94	125.06
Series I ($)	7.89	24.88	43.61	99.27
Series O ($)	0.92	2.91	5.10	11.60

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

Phillips, Hager & North Overseas Equity Class

Fund details

Type of fund	International equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.85%	0.07%
Advisor Series	1.85%	0.07%
Series H	1.75%	0.07%
Series D	1.10%	0.07%
Series F	0.85%	0.07%
Series I	0.75%	0.07%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests its assets primarily in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside North America, including countries in Europe and the Far East, including Japan and Australia, either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the Phillips, Hager & North Overseas Equity Fund (the *underlying fund*).

The portfolio manager of the underlying fund:

› invests in companies that are attractively valued and that have:
- – superior management;
- – industry leadership;
- – a high level of profitability compared to their competitors;
- – a sound financial position; and
- – strong earnings growth.

› may invest up to 10% of the underlying fund's net asset value in securities issued by a single German ETF and up to 20% of the underlying fund's net asset value in securities issued by German ETFs in aggregate pursuant to the exemptive relief set out in *Regulatory relief from investment restrictions* on page 9;

› may use derivatives, such as swaps, options, futures and forward contracts, as permitted by National Instrument 81-102 – *Mutual Funds*:
- – for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

– for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;

› may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by the Canadian securities regulatory authorities, to earn additional income; and

› may from time to time invest up to 10% of the underlying fund's net assets in other mutual funds managed by RBC GAM.

Information on the underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

› market risk;

› issuer-specific risk;

› foreign investment risk;

› currency risk;

› liquidity risk;

› derivative risk;

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you want potential for long-term growth from your investment;

› you are seeking economic, geographic and currency diversification outside of North America;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the long term and can tolerate medium investment risk (i.e. you can accept fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	22.96	72.38	126.87	288.79
Advisor Series ($)	22.86	72.06	126.30	287.50
Series H ($)	20.71	65.27	114.41	260.43
Series D ($)	14.45	45.56	79.86	181.78
Series F ($)	11.58	36.51	64.00	145.68
Series I ($)	10.25	32.31	56.64	128.92
Series O ($)	1.33	4.20	7.36	16.76

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC Emerging Markets Equity Class

Fund details

Type of fund	Emerging markets equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.85%	0.10%
Advisor Series	1.85%	0.10%
Series H	1.70%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series I	0.70%	0.10%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth.

The fund invests its assets primarily in equity securities of companies located or active in emerging markets either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Emerging Markets Equity Fund (the *underlying fund*).

The portfolio manager of the underlying fund:

› primarily selects equity securities of companies located or active in emerging market countries, including, but not limited to, China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Israel, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland;

› assesses the economic outlook for each emerging market region, including expected growth, market valuations and economic trends;

› diversifies the underlying fund by sector and emerging market country to help reduce risk;

› employs a number of valuation methods to determine share price;

› selects individual stocks based on the intrinsic value of each company, liquidity considerations and overall portfolio risk;

› may invest up to 10% of the underlying fund's assets in units of other mutual funds managed by RBC GAM or an affiliate;

› may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the underlying fund's exposure to changes in the value of foreign currencies relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets;

› may also use derivatives such as options, futures, forward contracts and swaps as a substitute for direct investment;

› may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9; and

RBC Emerging Markets Equity Class

› may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

› market risk;

› issuer-specific risk;

› foreign investment risk;

› currency risk;

› liquidity risk;

› small-cap risk;

› derivative risk;

› multiple class and series risk;

› securities lending, repurchase and reverse repurchase transaction risks; and

› large investor risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

› you want potential for long-term growth from your investment;

› you are seeking to diversify your portfolio to include growth opportunities in emerging markets;

› you are planning to hold your investment in a non-registered account;

› you are planning to hold your investment for the long term and can tolerate high investment risk (i.e. you can accept significant fluctuations in the value of your investment); or

› you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	24.81	78.20	137.06	311.99
Advisor Series ($)	25.01	78.84	138.20	314.57
Series H ($)	22.04	69.47	121.77	277.19
Series D ($)	15.27	48.15	84.39	192.10
Series F ($)	12.71	40.07	70.23	159.87
Series I ($)	12.30	38.78	67.97	154.71
Series O ($)	3.28	10.34	18.12	41.26

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

RBC Global Resources Class

Fund details

Type of fund	Global sector equity fund
Date started	Series A – December 30, 2011 Advisor Series – December 30, 2011 Series H – July 9, 2012 Series D – December 30, 2011 Series F – December 30, 2011 Series I – July 9, 2012 Series O – December 30, 2011
Securities offered	Mutual fund shares of a class of a mutual fund corporation: Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O
Registered plan eligibility	Eligible for registered plans.
Fees and expenses	Fees and expenses consist of the fund's management fee and administration fee, taxes and other fund costs. See *Fees and expenses* on page 72 for details.

Series	Management fee	Administration fee
Series A	1.85%	0.18%
Advisor Series	1.85%	0.18%
Series H	1.75%	0.13%
Series D	1.00%	0.13%
Series F	0.75%	0.13%
Series I	0.60%	0.13%
Series O	negotiable and paid directly to RBC GAM*	0.02%

* Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares. No management fees are payable by the fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. See *Purchases, switches and redemptions – How to buy, redeem and switch – Series O mutual fund shares.*

What does the fund invest in?

Investment objectives

› To provide long-term capital growth by investing in equity securities of companies around the world in any or all of the Energy, Materials, Industrials, and Utilities sectors.

The fund invests its assets primarily in companies that are involved directly or indirectly in the exploration, development, production or distribution of natural or other resources, including companies that provide services to, use, or may benefit from, developments in the natural resources sector or companies that develop, design or provide products and services significant to a country's or region's infrastructure and its future evolution either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

We will not change the fundamental investment objectives of the fund unless we have the consent of a majority of the shareholders of the fund to do so.

Investment strategies

It is currently expected that the fund will invest up to 100% of its net assets in units of the RBC Global Resources Fund (the *underlying fund*).

› The portfolio manager of the underlying fund selects stocks based on key attributes, including:
  – established player with a leading market position or defensible niche;
  – predictable growth;
  – high and sustainable profitability;
  – sound financial position;
  – strong management and continuity; and
  – attractive relative value.

› The underlying fund will focus on mid- to large-cap stocks, but may also invest in smaller companies.

› Overall portfolio risk is managed by assessing the expected performance and volatility of each investment held by the underlying fund relative to other securities held by the underlying fund.

› The underlying fund may also hold cash and fixed-income securities to protect value in certain market conditions.

› The underlying fund may also invest in income trusts.

RBC Global Resources Class

- The underlying fund may invest in American Depositary Receipts (*ADRs*) in order to efficiently add global exposure and reduce the complexity of cross-border transactions. ADRs do not eliminate the currency risk or foreign investment risk associated with an investment in a foreign company.
- The fund may invest in exchange traded funds that provide exposure to gold and silver in accordance with applicable securities regulations or as permitted by the exemptions described under *Regulatory relief from investment restrictions* on page 9.
- The underlying fund may use derivatives for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates and to reduce the underlying fund's exposure to changes in the value of foreign currencies relative to the Canadian dollar. The portfolio manager will determine the level of currency exposure based on its current view of currency markets.
- The underlying fund may also use derivatives such as options, futures, forwards and swaps for non-hedging purposes as a substitute for direct investment.
- The underlying fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Specific information about each of the mutual funds described in this document – Investment strategies* on page 9.
- The underlying fund may enter into securities lending, repurchase and reverse repurchase transactions to generate additional income and/or as a short-term cash management tool.

Information on the underlying fund is available at www.rbcgam.com.

What are the risks of investing in the fund?

The fund's ability to achieve its investment objectives is directly related to the ability of the underlying fund to achieve its objectives.

The risks of investing in this fund are similar to the risks of investing in the underlying fund it holds. It may also take on certain of these risks directly. The risks of the underlying fund include:

- market risk;
- issuer-specific risk;
- specialization risk;
- commodity risk;
- currency risk;
- foreign investment risk;
- liquidity risk;
- derivative risk;
- multiple class and series risk;
- small-cap risk;
- securities lending, repurchase and reverse repurchase transaction risks; and
- trust investments risk.

These risks are described in more detail beginning on page 2 of this simplified prospectus.

Who should invest in this fund?

This fund may be right for you if:

- you want potential for long-term growth from your investment;
- you want exposure to the global Energy, Materials, Utilities and Industrials sectors;
- you are planning to hold your investment in a non-registered account;
- you are planning to hold your investment for the long term and can tolerate high investment risk (i.e. you can accept significant fluctuations in the value of your investment); or
- you want the ability to switch to another class of the Corporation without triggering a capital gain or a capital loss.

Distribution policy

The year-end of the Corporation is March 31. Ordinary dividends, if any, are paid annually in March and capital gains dividends, if any, are paid annually within 60 days of year-end. We automatically reinvest all dividends in additional mutual fund shares of the fund unless you tell your dealer to inform us that you want them in cash.

RBC Global Resources Class

Fund expenses indirectly borne by investors

This table is intended to help an investor compare the cost of investing in this fund with the cost of investing in other mutual funds or in another series of this fund, if applicable. See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for a description of each series and their availability. This table shows the fees and expenses paid by the fund that are indirectly borne by an investor. See *Fees and expenses* on page 72 for more information.

	1 year	3 years	5 years	10 years
Series A ($)	23.06	72.70	127.43	290.08
Advisor Series ($)	22.86	72.06	126.30	287.50
Series H ($)	20.71	65.27	114.41	260.43
Series D ($)	13.22	41.68	73.06	166.31
Series F ($)	10.05	31.67	55.50	126.34
Series I ($)	8.82	27.79	48.71	110.87
Series O ($)	0.62	1.94	3.40	7.74

1 Based on a $1,000 investment and 5% return each year. Actual performance may vary.

Purchases, switches and redemptions

How the mutual fund shares are valued

Each fund is a separate class of mutual fund shares of RBC Corporate Class Inc., and each class is divided into several series. Each series is divided into mutual fund shares of equal value. When you invest in a fund, you are actually purchasing mutual fund shares of a specific series of the fund.

All transactions are based on the series net asset value per mutual fund share (*share value*). We usually calculate the share value for each fund on each business day after the Toronto Stock Exchange (*TSX*) closes, but in some circumstances, we may calculate it at another time. A business day is any day when RBC GAM's office in Toronto is open for business. The share values can change daily. A separate share value is calculated for each series of mutual fund shares.

The share value is the price used for all purchases and redemptions of mutual fund shares of that series (including purchases made on the reinvestment of distributions). The price at which mutual fund shares are issued, switched, reclassified or redeemed is based on the next applicable share value determined after the receipt of the purchase, switch, reclassification or redemption order.

Here is how we calculate the share value of each series of a fund:

- We take the fair value of all the investments and other assets allocated to the series.
- We then subtract the liabilities allocated to that series. This gives us the net asset value for the series.
- We divide this amount by the total number of mutual fund shares of the series that investors in the fund are holding. That gives us the share value for the series.

To determine what your investment in a fund is worth, simply multiply the share value of the series of mutual fund shares you own by the number of mutual fund shares you own.

Although the purchases and redemptions of mutual fund shares are recorded on a series basis, the assets attributable to all of the series of a fund are pooled to create one fund for investment purposes. Each series pays its proportionate share of fund costs in addition to its management fee and administration fee. The difference in fund costs, management fees and administration fees between each series means that each series has a different net asset value per mutual fund share.

Share values of the respective series of each fund are available on the RBC GAM website at www.rbcgam.com or through our interactive voice response system by calling our toll-free Customer Service line at 1-800-463-FUND (3863) (English) or 1-800-668-FOND (3663) (French), or by sending an email to funds.investments@rbc.com (English) or fonds.investissements@rbc.com (French) or by asking your dealer.

How to buy, redeem and switch

It is up to you or your investment professional, if applicable, to determine which series is appropriate for you. Different funds or series may have different minimum investment levels and may require you to pay different fees.

Series A mutual fund shares

Series A mutual fund shares are available through authorized dealers, including RMFI, RBC DS and RBC DI.

Advisor Series and Advisor T5 Series mutual fund shares

Advisor Series and Advisor T5 Series mutual fund shares are available through authorized dealers, including RBC DS and RBC DI.

Series T5 mutual fund shares

Series T5 mutual fund shares are available through authorized dealers, including RBC DS and RBC DI.

Series H mutual fund shares

Series H mutual fund shares are only available to investors who invest and maintain the required minimum balance with authorized dealers, including RBC DS and RBC DI.

Series D mutual fund shares

Series D mutual fund shares are available to investors who have accounts with RBC DI or other discount brokers, where you must invest and maintain a minimum balance of $500 for each fund and any additional investments must be at least $25. We pay a reduced trailing commission with respect to Series D mutual fund shares, which means we can charge a lower management fee. RBC DI and other discount brokers do not provide investment recommendations or advice to their clients. If you wish to transfer your holdings of mutual fund shares of a fund to RBC DI or another discount brokerage account, you must contact RBC DI or the other discount broker. **If you hold mutual fund shares of a fund, other than Series D mutual fund shares, in an RBC DI or other discount brokerage account and become eligible to hold Series D mutual fund shares, you may instruct RBC DI or your discount broker to reclassify your mutual fund shares but it will not be done automatically.**

Series D mutual fund shares may also be available to investors who have accounts with Phillips, Hager & North Investment Funds Ltd. (*PHN IF*), where the account minimums established by PHN IF from time to time are satisfied.

Series F and Series FT5 mutual fund shares

Series F and Series FT5 mutual fund shares are available to investors who have accounts with dealers who have signed a fee-based agreement with us. These investors pay their dealer a fee directly for investment advice or other services. We do not pay any sales charges or commission to dealers who sell Series F and Series FT5 mutual fund shares, which means that we can charge a lower management fee.

Series I mutual fund shares

Series I mutual fund shares are only available to investors who invest and maintain the required minimum balance and who have accounts with dealers who have signed a fee-based agreement with us. These investors pay their dealer a fee directly for investment advice or other services. We do not pay any commission to dealers who sell Series I mutual fund shares, which means that we can charge a lower management fee.

Series O mutual fund shares

Series O mutual fund shares are for individuals, institutional clients or dealers who have entered into an agreement directly with RBC GAM to purchase Series O mutual fund shares and who make the required minimum investment and minimum subsequent investment, as determined by RBC GAM from time to time. No management fees are payable by a fund in respect of Series O mutual fund shares. Holders of Series O mutual fund shares pay a negotiated fee directly to RBC GAM, which will not exceed 2%. No sales charges or trailing commissions are payable by RBC GAM in respect of Series O mutual fund shares.

All series

You must invest and maintain a minimum balance for each fund. The table below outlines these minimums along with the minimum requirements for additional investments, pre-authorized purchase plans and redemptions. See *Optional services* on page 71 for more information regarding pre-authorized purchase plans.

RBC Corporate Class Funds	Minimum balance	Minimum additional investments/ pre-authorized purchase plans/ redemptions[1,2]
All funds except for Series H, Series I and Series O	$500	$25
Series H and Series I	$200,000	$5,000
Series O	As determined by RBC GAM	As determined by RBC GAM

[1] Investors purchasing through dealers may be subject to higher minimum initial or additional investment/redemption amounts.

[2] Minimums are per transaction.

If your balance falls below the minimum required balance for a particular fund or series, or you otherwise become ineligible to hold a particular fund or series, we may redeem or reclassify your mutual fund shares, as applicable. Where a shareholder is or becomes a citizen or resident of the United States or a resident of any other foreign country, we may require such shareholder to redeem their mutual fund shares if their participation has the potential to cause adverse regulatory or tax consequences for a fund or other shareholders of a fund. We may redeem your mutual fund shares if we are permitted or required to do so, including in connection with the termination of the fund, in accordance with applicable law. If we redeem, or reclassify or switch your mutual fund shares, the effect will be the same as if you initiated the transaction. For redemptions in non-registered accounts, we may transfer the proceeds to you, and for redemptions in registered plans, we may transfer the proceeds to a registered savings deposit within the plan. We will not give you or your dealer notice prior to taking any action.

For us to act on an order to buy, redeem, reclassify or switch mutual fund shares, the branch, telephone salesperson or your dealer must send the order to us on the same day it is received and assume all associated costs.

If we receive your order before 4:00 p.m. Eastern time, your order will be processed using that day's share value. A separate share value is calculated for each series of mutual fund shares. If we receive your order after 4:00 p.m. Eastern time, your order will be processed using the next business day's share value. If the board of directors determines that the share value will be calculated at a time other than after the usual closing time of the TSX, the share value paid or received will be determined relative to that time. All orders are processed within three business days. You will find more information about buying, redeeming and switching mutual fund shares of the funds in the annual information form of the funds. A dealer may establish earlier cut-off times. Check with your dealer for details.

You have to pay for your mutual fund shares when you buy them. If we do not receive payment in full, we will cancel your order and redeem the mutual fund shares, including any mutual fund shares you bought through a switch. If we redeem the mutual fund shares for more than the value for which they were issued, the difference will go to the fund. If we redeem the mutual fund shares for less than the value for which they were issued, we will pay the difference to the fund and collect this amount, plus the cost of doing so, from your dealer. Your dealer may require you to reimburse the amount paid if it suffers a loss as a result.

We have the right to refuse any order to buy or switch mutual fund shares. We must do so within one business day from the time we receive the order. If we refuse your order to buy or switch, we will immediately return any monies we received with your order.

Restrictions on purchases and switches of mutual fund shares of certain funds

Effective April 2, 2013, mutual fund shares of RBC Bond Capital Class, Phillips, Hager & North Total Return Bond Capital Class and RBC High Yield Bond Capital Class are not available for purchase by investors, including mutual fund shares bought through switches. We will continue to permit redemptions and the calculation of each fund's share value for each series.

Excessive trading

Most mutual funds are considered long-term investments, so we discourage investors from buying, redeeming or switching mutual fund shares frequently.

Some investors may seek to trade mutual fund shares frequently in an effort to benefit from differences between the value of a fund's mutual fund shares and the value of the underlying securities (*market timing*). These activities, if undertaken by shareholders, can negatively impact the value of the fund to the detriment of other shareholders. Excessive short-term trading can also reduce a fund's return because the fund may be forced to hold additional cash to pay redemption proceeds or, alternatively, to sell portfolio holdings, thereby incurring additional trading costs.

Depending on the fund and the particular circumstances, RBC GAM will employ a combination of preventative and detective measures to discourage and identify excessive short-term trading in RBC Corporate Class Funds, including:

- fair value pricing of securities held by a fund;
- imposition of short-term trading fees; and
- monitoring of trading activity and refusal of trades.

Fair value pricing

The TSX closes at 4:00 p.m. Eastern time. We use the market value for securities as of 4:00 p.m. Eastern time to price the North American securities held in the funds' portfolios. However, the trading hours for most foreign (i.e. non-North American) securities end prior to the 4:00 p.m. Eastern time close of the TSX. For example, the most recent closing price for a security which trades primarily in Asian markets may be as much as 15 hours old at 4:00 p.m. Eastern time. Therefore, we have procedures in place to fair value foreign securities traded in countries outside North America daily, to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market. Accordingly, the value calculated on fair valued securities for purposes of calculating a fund's net asset value may differ from that security's most recent closing market price. As a means of evaluating our fair value process, we will routinely compare closing market prices, the next day's opening prices in the same markets, and adjusted fair value prices. These procedures are designed to minimize the potential for market timing strategies, which are largely focused on funds with significant holdings of foreign securities. They may also be used in respect of foreign securities held by an underlying fund or a reference fund to which a fund may provide exposure, indirectly affecting the net asset value of the fund.

See *Valuation of securities held by a fund* in the funds' annual information form for information about other circumstances in which we may fair value securities held by a fund.

Short-term trading fees

A fee of 2% of the amount redeemed or switched will be charged if you invest in mutual fund shares of a fund (excluding RBC Short Term Income Class) for a seven-day period or less.

Fees charged will be paid directly to the fund, and are designed to deter excessive trading and offset its associated costs. For the purposes of determining whether the fee applies, we will consider the mutual fund shares that were held the longest to be the mutual fund shares which are redeemed first. The fee will not apply in certain circumstances, including:

› pre-authorized, auto switch, or systematic withdrawal plans;

› redemptions of mutual fund shares purchased by the reinvestment of distributions;

› reclassification of mutual fund shares from one series to another series of the same fund; or

› redemptions initiated by RBC GAM or a mutual fund where redemption notice requirements have been established by RBC GAM.

Monitoring of trading activity

We regularly monitor transactions in all of the funds. We have established criteria for each fund that we apply fairly and consistently in an effort to eliminate trading activity that we deem potentially detrimental to long-term shareholders. We have the right to restrict or reject any purchase or switch order without any prior notice, including transactions accepted by your dealer.

Generally speaking, your trading may be considered excessive if you sell or switch your mutual fund shares of a fund within 90 days of buying them on more than one occasion.

We have the right to consider trading activity in multiple accounts under common ownership, control or influence as trading in a single account when exercising our right to reject a purchase or switch. **Whether your trading is considered excessive will be determined by RBC GAM in its sole discretion.**

Purchases

Series A, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O mutual fund shares are no load, which means you can buy, redeem or switch Series A, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O mutual fund shares of a fund through certain dealers without paying a commission. See *Fees and expenses* on page 72 and *Dealer compensation* on page 76 for more information.

We may limit or "cap" the size of a fund by restricting new purchases, including mutual fund shares bought through switches. We will continue to permit redemptions and the calculation of the fund's share value for each series. We may subsequently decide to start accepting new purchases or switches to that fund at any time.

About sales charges: Advisor Series and Advisor T5 Series mutual fund shares

There are no sales charges when you purchase Series A, Series T5, Series H, Series D, Series F, Series FT5, Series I or Series O mutual fund shares of the funds.

When you invest in Advisor Series or Advisor T5 Series mutual fund shares of a fund you may choose the initial sales charge or low-load sales charge option. Your dealer can help you decide which option is right for you. The sales charge compensates your dealer for the advice and service your dealer provides to you.

Initial sales charge (Paying when you buy your Advisor Series or Advisor T5 Series mutual fund shares)

If you choose the initial sales charge option, you pay a sales commission when you buy Advisor Series or Advisor T5 Series mutual fund shares of a fund. The commission is a percentage of the amount you invest and is paid to your dealer. See *Dealer compensation* on page 76 for details. You negotiate the actual commission with your dealer. We deduct the percentage from the amount you invest and pay it to your dealer. See *Fees and expenses* on page 72 for the sales charge schedule.

Low-load sales charge (Paying when you redeem your Advisor Series or Advisor T5 Series mutual fund shares)

If you choose the low-load sales charge option, you do not pay a commission when you invest in the Advisor Series or Advisor T5 Series mutual fund shares of a fund. The entire amount of your purchase goes toward your investment and we pay your dealer a commission directly. See *Dealer compensation* on page 76 for details.

If you sell your Advisor Series or Advisor T5 Series mutual fund shares within two years of buying them, we deduct from your redemption proceeds the low-load sales charge payable by you, which is a percentage of the cost of your Advisor Series or Advisor T5 Series mutual fund shares at the time you purchased them.

However, you will not pay a low-load sales charge on:

› mutual fund shares you hold for two years or more;

› mutual fund shares switched from one fund to another fund, provided that you remain within the same series and purchase option;

› mutual fund shares that qualify for the 10% free redemption amount, which we explain below;

› cash distributions; and

› mutual fund shares received from reinvested distributions.

See *Fees and expenses* on page 72 for details of the low-load sales charge schedule.

Free redemption amount

Every calendar year, you can redeem up to 10% of your Advisor Series or Advisor T5 Series mutual fund shares that would otherwise be subject to the low-load sales charge, at no charge. We call this the 10% free redemption amount. The 10% free redemption amount is calculated as 10% of:

› the number of mutual fund shares you owned as of December 31 of the preceding year; plus

› the number of mutual fund shares you purchased this calendar year other than mutual fund shares received from reinvested distributions.

You can use up your 10% free redemption amount in one sale or spread it out over several sales, whichever you prefer. You cannot carry forward any unused portion to the next year.

If you switch from mutual fund shares of one fund to another fund, we will transfer the 10% free redemption amount on those mutual fund shares from the first fund to the second fund.

What else you need to know

If you purchase some Advisor Series or Advisor T5 Series mutual fund shares of a fund through the initial sales charge option and other Advisor Series or Advisor T5 Series mutual fund shares of the same fund through the low-load sales charge option, your dealer can tell us which mutual fund shares you wish to redeem. If your dealer does not tell us, we will redeem any mutual fund shares you bought with an initial sales charge before we redeem mutual fund shares you hold under the low-load sales charge option to minimize your sales charges.

We will not accept orders to buy mutual fund shares during a period when we have suspended the right of shareholders to redeem mutual fund shares. See *When you may not be allowed to redeem your mutual fund shares* on page 71 for details.

Switches

You can switch from one fund to another fund within the Corporation as long as you:

› maintain the relevant minimum balance in each fund; and

› switch to a fund under the same sales charge option.

If you switch from one fund to another fund within the Corporation, you are exchanging one class of mutual fund shares for another class of mutual fund shares. This transaction is not taxable to you because you still own mutual fund shares of the Corporation.

Switches of mutual fund shares out of the Corporation

If you switch from one fund to another mutual fund that is not within the Corporation, you are redeeming your mutual fund shares of the Corporation, as described below under *Redemptions*, and using the proceeds to buy units or shares of another mutual fund to which you are switching. This transaction is taxable and may give rise to a gain or loss for tax purposes. See *Income tax considerations for investors* for more details.

Reclassifications

You can reclassify from one series of mutual fund shares of a fund to another series of mutual fund shares of the same fund, as long as you are eligible to hold that series of mutual fund shares. This is called a reclassification.

You may have to pay a fee to your dealer to effect such a reclassification. You negotiate the fee with your investment professional. See *Fees and expenses* on page 72 for details.

If you reclassify mutual fund shares to Advisor Series or Advisor T5 Series mutual fund shares purchased under a low-load sales charge option, the reclassified Advisor Series or Advisor T5 Series mutual fund shares will be subject to a sales charge upon redemption if the mutual fund shares are redeemed within the period of time that a low-load sales charge would apply. See *Fees and expenses* on page 72 for details of the low-load sales charge schedule.

The value of your investment, less any fees, will be the same immediately after the reclassification. You may, however, own a different number of mutual fund shares because each series may have a different share value. Reclassifying mutual fund shares from one series to another series of the same fund is not a taxable transaction.

Redemptions

You can instruct your dealer to sell some or all of your mutual fund shares at any time. This is called a redemption. Redemptions will only be permitted in certain minimum amounts. See *How to buy, redeem and switch* on page 66 for details. Your dealer must send your redemption request on the same day it is received. The dealer must assume all associated costs. Redemption requests for a fund are processed in the order in which they are received. We will not process redemption requests specifying a forward date or specific price.

Your redemption (or switch) transaction will not be processed until your dealer has received all documentation. Your dealer will inform you of the documentation it requires. Your dealer must provide all required documents within 10 business days of the date your redemption order is processed. If not, we will repurchase the mutual fund shares for your account. If the cost of repurchasing the mutual fund shares is less than the redemption proceeds, the fund will keep the difference. If the cost of repurchasing the mutual fund shares is more than the redemption proceeds, your dealer must pay the difference and any related costs. Your dealer may require you to reimburse the amount paid if the dealer suffers a loss.

If you redeem mutual fund shares of a fund, you can tell us to mail you a cheque or transfer the proceeds to your bank account with any financial institution. **For non-registered accounts, you are responsible for tracking and reporting to the Canada Revenue Agency any capital gains or losses that you realize from redeeming or switching mutual fund shares of a fund.** If you hold your funds in a registered plan, withholding tax may apply if you withdraw money from the plan.

When you may not be allowed to redeem your mutual fund shares

Under extraordinary circumstances, you may not be allowed to redeem your mutual fund shares. We may suspend your right to redeem if:

- normal trading is suspended on any stock exchange or market where more than 50% of the assets of a fund are listed or traded; or
- we get permission from the CSA to allow us to temporarily suspend the redemption of mutual fund shares.

Optional services

This section tells you about the optional services we offer to investors.

Pre-authorized purchase plan

If you want to invest in a fund on a regular basis, you can use our pre-authorized purchase plan.

Here is how the plan works:

- See *Purchases, switches and redemptions – How to buy, redeem and switch* on page 66 for the minimum initial investment and the minimum additional investments required for each fund or series.
- If you do not invest the minimum balance amount, you must build up to the minimum balance within one year (for Series H, Series D, Series I and Series O mutual fund shares, the minimum investment must be made up front).
- You can invest weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the kind of account you have. For more information, please ask your dealer.
- We will automatically transfer money from your bank account with any financial institution to purchase mutual fund shares in the fund you choose.
- We will cancel your plan if your payment is returned because there are not sufficient funds in your bank account.

Auto switch investment plan

If you want to switch from one fund to other funds on a regular basis, you can use our auto switch investment plan.

Here is how the plan works:

- You can switch from one fund to another fund or you can switch from one fund to multiple funds.
- You must meet the minimum balance requirements of the fund or funds into which you are switching. See *Purchases, switches and redemptions – How to buy, redeem and switch* for the minimum balance requirements for each fund.
- You can switch weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the kind of account you have. For more information, please ask your dealer.

Please see *Income tax considerations for investors* regarding the tax consequences of switching.

Automatic reinvestment of distributions

The funds may earn income from their investments. They may also realize capital gains when investments are sold at a profit. A fund pays out its income (less expenses) and net realized capital gains to investors in the form of dividends and may also pay amounts as returns of capital to investors. We call both of these types of payments *distributions*.

Please contact your dealer to find out how the reinvestment of distributions is managed.

Systematic withdrawal plan

If you would like to make regular withdrawals from your non-registered investment in a fund, you can open a systematic withdrawal plan. Here is how the plan works:

- You must have at least $10,000 in your non-registered account to set up a systematic withdrawal plan.
- You can choose to withdraw a minimum of $100 weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the kind of account you have. For more information, please ask your dealer.
- We will deposit the money directly to your bank account.
- If you decide to discontinue your systematic withdrawal plan and your investment is below the minimum balance for a fund, we may ask you to increase your investment to the minimum amount or to redeem your remaining investment in the fund.

It is important to remember that if you withdraw more than your investment is earning, you will reduce and eventually use up your original investment. Remember, a systematic withdrawal plan results in the redemption of mutual fund shares. You are responsible for tracking and reporting to the Canada Revenue Agency any capital gains or losses you realize on mutual fund shares disposed of.

Registered plans and tax-free savings accounts

The entire family of funds may be purchased within all registered plans and tax-free savings accounts (*TFSAs*) subject to tax rules that deal with prohibited investments. See *Income tax considerations for investors – For mutual fund shares held in a registered plan or TFSA* on page 79.

Registered plans include Registered Retirement Savings Plans (*RRSPs*), Group Registered Retirement Savings Plans (*GRSPs*), Registered Retirement Income Funds (*RRIFs*), Registered Education Savings Plans (*RESPs*), Registered Disability Savings Plans (*RDSPs*) and Deferred Profit Sharing Plans (*DPSPs*).

Registered plans receive special treatment under the *Income Tax Act* (Canada). A key benefit is that you do not pay tax on the money you earn in these plans until you withdraw it. TFSAs receive generally similar treatment under the *Income Tax Act* (Canada); however, withdrawals from a TFSA are not taxable. In addition, contributions to an RRSP are deductible from your taxable earnings up to your allowable limit. You should consult your tax advisor for more information about the tax implications of registered plans and TFSAs.

Fees and expenses

This section outlines the fees and expenses you may pay directly or indirectly when you invest in the funds. The funds pay some fees and expenses which you pay indirectly because they reduce the value of your investment.

FEES AND EXPENSES PAYABLE BY THE FUNDS

Management fees	RBC GAM, as manager of the funds, is entitled to a management fee payable by each fund. The management fee varies for each series of mutual fund shares of a fund. See the *Fees and expenses* information in the *Fund details* table for each fund in this simplified prospectus. Fees and expenses are payable by the underlying funds in which a fund may invest, in addition to the fees and expenses payable by the fund. However, no management fees or incentive fees are payable by a fund that, to a reasonable person, would duplicate a fee payable by any underlying funds of the fund for the same service. In addition, a fund will not pay any sales fees or redemption fees upon a purchase or redemption of securities of an underlying fund.

	Management fee rebates We may reduce the management fee borne by institutional investors who hold Series I mutual fund shares of a fund and who have signed agreements with us. We do this by paying out the amount of the reduction in the form of a management fee rebate directly to the eligible institutional investor. The decision to pay management fee rebates is in our complete discretion and depends on a number of factors, including the size of the investment and a negotiated fee agreement between the institutional investor and RBC GAM. Management expense ratio (*MER*) for the portfolios The management fee payable in respect of each series of the portfolios (other than Series O) is a variable fee and is determined on a basis such that all fees and expenses that comprise the MER, other than the additional cost of the harmonized sales tax (*HST*), will be equal to a specified percentage of the average net asset value of the applicable series of the portfolio. The specified percentage includes the management fee, administration fee, taxes (other than the additional cost of the HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the HST is not included in the specified percentage effective July 1, 2010, the MER will be higher than the specified percentage by a percentage which reflects the additional cost of the HST. See *Operating expenses – Effect of GST/HST on MERs* below.
Operating expenses	Administration fee RBC GAM pays certain operating expenses of the funds. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees, the costs of preparing and distributing annual and semi-annual reports, prospectuses, fund facts and statements and investor communications. In return, each fund pays a fixed administration fee to RBC GAM. The administration fee may vary by series of mutual fund shares and by fund. The administration fee paid to RBC GAM by a fund in respect of a series may, in any particular period, exceed or be lower than the operating expenses paid by RBC GAM for that series of the fund. See the *Fees and expenses* information in the *Fund details* table for each fund in this simplified prospectus. Each fund also pays certain operating expenses directly, including the costs and expenses related to the board of directors of the Corporation, the Board of Governors of the RBC Corporate Class Funds and the trustees of the Corporate Class Trust (the holder of the common shares of the Corporation), the cost of any new government or regulatory requirements and any borrowing costs (collectively, *other fund costs*), and taxes (including, but not limited to, the federal goods and services tax (*GST*) or the harmonized sales tax (*HST*), as applicable). Other fund costs will be allocated among funds and among each series of mutual fund shares of a fund in a fair and equitable manner in accordance with the services used.

	RBC GAM may, in some years and in certain cases, pay a portion of a series' administration fee or other fund costs. The decision to absorb the administration fee or other fund costs is reviewed annually and determined at the discretion of RBC GAM, without notice to shareholders. The administration fee and other fund costs are included in the MER of a fund. Effect of GST/HST on MERs A fund is required to pay HST on management fees (which are variable for the portfolios) and administration fees charged to the fund. In general, the HST rate depends on the residence of a fund's shareholders at a certain point in time. Changes in existing GST/HST rates, changes to which provinces impose HST and changes in the breakdown of the residence of a fund's shareholders will have an impact on the MER of a fund, including the MER of the portfolios, year over year. Board of Governors The Board of Governors acts as the independent review committee of the funds. Each member of the Board of Governors is entitled to receive an annual fee of $25,000 ($35,000 for the Chair) and $2,000 per meeting of the Board of Governors. Each member that sits on a sub-committee of the Board of Governors is entitled to receive an additional meeting fee with respect to these committee meetings. For the Governance Committee, each member is entitled to receive a meeting fee of $2,500 and the Chair of this committee is also entitled to receive an annual fee of $3,000. For the Financial Advisory Committee, each member is entitled to receive a meeting fee of $3,000 and the Chair of this committee is also entitled to receive an annual fee of $4,000. Each member of the Investment Conflicts Committee is entitled to receive a meeting fee of $3,500 and the Chair of this committee is also entitled to receive an annual fee of $5,000. Each member of the Board of Governors will also be reimbursed for expenses in connection with performing his or her duties in this regard. These fees and expenses are allocated among the funds managed by RBC GAM in a manner that is fair and reasonable.

FEES AND EXPENSES PAYABLE DIRECTLY BY YOU

Sales charges Initial sales charge option	Series A, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O mutual fund shares of the funds are no load, which means you can buy, redeem or switch mutual fund shares of these series through certain dealers without paying a commission. You may have to pay a sales charge if you choose to buy Advisor Series or Advisor T5 Series mutual fund shares under the initial sales charge option. You and your dealer negotiate the amount you pay. The charge may range from 0% to 5% of the purchase order. We deduct the sales charge from the amount you invest and pay it to your dealer as a commission.

Fees for switches and reclassifications

There is no fee payable to RBC GAM for reclassifying your mutual fund shares from one series to another series of the same fund. You may have to pay your dealer a fee of up to 2% of the value of the securities you acquire when you switch Advisor Series or Advisor T5 Series securities between funds. This fee is not paid to the fund. You negotiate the fee and pay it directly to your dealer. The funds will charge a short-term trading fee if you switch your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

Redemption fees

Low-load sales charge options

You pay no sales charge when you redeem Series A, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O mutual fund shares of a fund. The funds will charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

You will pay a sales charge if you choose to buy Advisor Series or Advisor T5 Series mutual fund shares under the low-load sales charge option and you redeem your mutual fund shares within two years of buying them. The charge is based on the original cost of your mutual fund shares and how long you held them. We deduct the charge from the value of the mutual fund shares you redeem.

The table below shows the low-load sales charge schedule:

If you redeem	Low-load sales charge option you pay
During the first year	2.0%
During the second year	2.0%
Thereafter	Nil

The funds will also charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

Short-term trading fees

Please see *Short-term trading fees* on page 68 of this simplified prospectus.

Registered tax plan and TFSA fees

Fees may be payable to your dealer if you transfer an investment within a registered plan to another financial institution.

None of these fees is paid to RBC GAM.

Other fees and expenses

You may have to reimburse your dealer if it suffers a loss as a result of our having to redeem your mutual fund shares for insufficient payment. See *How to buy, redeem and switch* on page 66 of this simplified prospectus.

Impact of sales charges

The following table shows the fees that you would pay if:

- you invested $1,000 in Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I or Series O mutual fund shares of a fund;
- you held that investment for one, three, five or 10 years and you redeemed the entire investment immediately before the end of that period;
- for Advisor Series or Advisor T5 Series mutual fund shares, the sales charge under the initial sales charge option is 5%;
- for Advisor Series or Advisor T5 Series mutual fund shares, the sales charge under the low-load sales charge option is only payable if you sell your mutual fund shares within two years of buying them. See *Fees and expenses* on page 72 of this simplified prospectus for the redemption fee schedule; and
- for Advisor Series or Advisor T5 Series mutual fund shares, you have not used your 10% free redemption amount under the low-load sales charge option.

	Fee at time of purchase	Redemption fee before end of: 1 year	3 years	5 years	10 years
RBC Corporate Class Fund – Series A	Nil	Nil	Nil	Nil	Nil
RBC Corporate Class Fund – Advisor Series					
Initial Sales Charge Option	$50	Nil	Nil	Nil	Nil
Low-Load Sales Charge Option	Nil	$20	Nil	Nil	Nil
RBC Corporate Class Fund – Advisor T5 Series					
Initial Sales Charge Option	$50	Nil	Nil	Nil	Nil
Low-Load Sales Charge Option	Nil	$20	Nil	Nil	Nil
RBC Corporate Class Fund – Series T5	Nil	Nil	Nil	Nil	Nil
RBC Corporate Class Fund – Series H	Nil	Nil	Nil	Nil	Nil
RBC Corporate Class Fund – Series D	Nil	Nil	Nil	Nil	Nil
RBC Corporate Class Fund – Series F	Nil	Nil	Nil	Nil	Nil
RBC Corporate Class Fund – Series FT5	Nil	Nil	Nil	Nil	Nil
RBC Corporate Class Fund – Series I	Nil	Nil	Nil	Nil	Nil
RBC Corporate Class Fund – Series O	Nil	Nil	Nil	Nil	Nil

You do not pay a sales charge or commission when you buy, redeem, switch or reclassify Series A, Series T5, Series H, Series D, Series F, Series FT5, Series I or Series O mutual fund shares.

Dealer compensation

How your investment professional and dealer are paid

Your investment professional usually is the person through whom you purchase the funds. Your investment professional could be a broker, financial planner or advisor who is registered to sell mutual funds. Your dealer is the firm for which your investment professional works.

For Series A mutual fund shares

Series A mutual fund shares are no load. That means you pay no sales charges if you buy, redeem or switch your mutual fund shares. The funds will charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

For Advisor Series and Advisor T5 Series mutual fund shares

For Advisor Series and Advisor T5 Series mutual fund shares, the commission your investment professional receives depends on how you invest in the funds. The funds will also charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

Initial sales charge option

When you choose the initial sales charge option for Advisor Series and Advisor T5 Series mutual fund shares, you and your investment professional decide on the percentage you will be charged. The percentage ranges from 0% to 5% of the amount you invest. We deduct the sales charge from the amount you invest and pay it to your dealer.

Low-load sales charge option

When you choose the low-load sales charge option for Advisor Series and Advisor T5 Series mutual fund shares, we pay your dealer a commission of 1% of the amount you invest. You will not pay a charge unless you redeem your mutual fund shares within two years of buying them.

Switch fee

When you switch Advisor Series and Advisor T5 Series mutual fund shares from one fund to another, you may have to pay your dealer a switch fee of up to 2%. You negotiate the fee with your investment professional.

For Series T5 mutual fund shares

Series T5 mutual fund shares are no load. That means you pay no sales charges if you buy, redeem or switch your mutual fund shares. The funds will also charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

For Series H mutual fund shares

Series H mutual fund shares are no load. That means you pay no sales charges if you buy, redeem or switch your mutual fund shares. The funds will also charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

For Series D mutual fund shares

Series D mutual fund shares are no load. That means you pay no sales charges if you buy, redeem or switch your mutual fund shares. The funds will charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

For Series F and Series FT5 mutual fund shares

You do not pay sales charges on Series F and Series FT5 mutual fund shares, nor do we pay commissions to your dealer in respect of Series F and Series FT5 mutual fund shares. Your advisor or dealer negotiates a fee directly with you for the services they provide. The funds will charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

For Series I mutual fund shares

You do not pay sales charges on Series I mutual fund shares, nor do we pay commissions to your dealer in respect of Series I mutual fund shares. Your advisor or dealer negotiates a fee directly with you for the services they provide. The funds will also charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

For Series O mutual fund shares

You do not pay sales charges on Series O mutual fund shares. The funds will charge a short-term trading fee if you redeem your mutual fund shares within seven days of buying them. Please see *Short-term trading fees* on page 68 of this simplified prospectus.

Trailing commissions

We pay dealers an ongoing annual service fee, known as a "trailing commission," based on the total value of Series A, Advisor Series, Advisor T5 Series, Series T5, Series H or Series D mutual fund shares their clients hold in the funds, for so long as such clients hold the investment, according to the following table:

RBC Corporate Class Funds	Annual trailing commission for Series A and Series T5 mutual fund shares	Annual trailing commission for Advisor Series and Advisor T5 Series mutual fund shares		Annual trailing commission for Series H mutual fund shares	Annual trailing commission for Series D mutual fund shares
		Initial sales charge option	Low-load sales charge option		
Fixed-Income Funds					
RBC Short Term Income Class	Up to 0.25%	Up to 0.25%	Up to 0.25%	Up to 0.25%	Up to 0.10%
RBC Bond Capital Class	0.50%	0.50%	0.50%	0.50%	0.15%
Phillips, Hager & North Total Return Bond Capital Class	0.50%	0.50%	0.50%	0.50%	0.15%
RBC High Yield Bond Capital Class	0.50%	0.50%	0.50%	0.50%	0.15%
BlueBay Global Convertible Bond Class (Canada)	0.75%	0.75%	0.75%	0.75%	0.15%
Balanced Funds and Portfolio Solutions					
Phillips, Hager & North Monthly Income Class	1.00%	1.00%	1.00%	1.00%	0.25%
RBC Select Very Conservative Class	0.75%	0.75%	0.75%	–	–
RBC Select Conservative Class	0.75%	0.75%	0.75%	–	–
RBC Select Balanced Class	1.00%	1.00%	1.00%	–	–
RBC Select Growth Class	1.00%	1.00%	1.00%	–	–
RBC Select Aggressive Growth Class	1.00%	1.00%	1.00%	–	–

RBC Corporate Class Funds	Annual trailing commission for Series A and Series T5 mutual fund shares	Annual trailing commission for Advisor Series and Advisor T5 Series mutual fund shares		Annual trailing commission for Series H mutual fund shares	Annual trailing commission for Series D mutual fund shares
		Initial sales charge option	Low-load sales charge option		
Canadian Equity Funds					
RBC Canadian Dividend Class	1.00%	1.00%	1.00%	1.00%	0.25%
RBC Canadian Equity Class	1.15%	1.15%	1.15%	1.15%	0.25%
RBC Canadian Equity Income Class	1.15%	1.15%	1.15%	1.15%	0.25%
RBC Canadian Mid-Cap Equity Class	1.15%	1.15%	1.15%	1.15%	0.25%
North American Equity Funds					
RBC North American Value Class	1.15%	1.15%	1.15%	1.15%	0.25%
U.S. Equity Funds					
RBC U.S. Dividend Class	1.15%	1.15%	1.15%	1.15%	0.25%
RBC U.S. Equity Class	1.15%	1.15%	1.15%	1.15%	0.25%
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class	1.00%	1.00%	1.00%	1.00%	0.25%
International Equity Funds					
Phillips, Hager & North Overseas Equity Class	1.00%	1.00%	1.00%	1.00%	0.25%
RBC Emerging Markets Equity Class	1.00%	1.00%	1.00%	1.00%	0.25%
Global Equity Funds					
RBC Global Resources Class	1.15%	1.15%	1.15%	1.15%	0.25%

We do not pay trailing commissions on Series F, Series FT5, Series I or Series O mutual fund shares.

These service fees paid to your dealer depend on the fund and the sales charge option you choose. Your dealer is required to observe the rules of any self-regulatory organization to which it belongs when initiating such switches, including any requirement to obtain your consent prior to initiating such switches. We may change the terms of the service fee paid to your dealer without informing you. Dealers typically pay a portion of the service fee they receive to their investment professionals for the services they provide to their clients.

We also pay trailing commissions to the discount broker for all series of securities you purchase through your discount brokerage account.

Other forms of dealer support

We may participate in co-operative advertising programs with dealers to help them market the funds. We may use part of the management fee to pay up to 50% of the cost of these advertising programs in accordance with rules set out in National Instrument 81-105 – *Mutual Fund Sales Practices*.

Royal Bank owns, directly or indirectly, 100% of RMFI, RBC GAM, RBC DS, RBC DI and PHN IF, which are principal distributors and/or participating dealers in respect of certain series of mutual fund shares of the funds.

Dealer compensation from management fees

Approximately 68.46% of the total management fees paid by the RBC Corporate Class Funds in respect of all the series of the funds was used to pay for dealer commissions or was paid to dealers for other marketing, promotional or educational activities of the RBC Corporate Class Funds in the financial year ended October 31, 2012.

Income tax considerations for investors

This section describes how your investment in a fund will be subject to Canadian income tax. This description assumes that:

› you are a Canadian resident individual (other than a trust), and

› you hold your mutual fund shares as capital property.

Everyone's tax situation is different. You should consult your tax advisor about your individual situation.

How you can earn money from your investment

Your investment in a fund can earn money from:

› distributions paid by the fund, which may consist of ordinary dividends, capital gains dividends or a return of capital; and

› any capital gains you realize when you redeem mutual fund shares of the fund.

Tax treatment of the funds

Each fund represents a class of mutual fund shares of the Corporation. All of the classes of mutual fund shares of the Corporation will together be treated as a single taxpayer for income tax purposes and the income, gains, deductions and losses of all of these funds, and the tax attributes of all of the assets of these funds, will be taken into account in the aggregate in computing the income tax liability of the Corporation as a whole. In general, the Corporation will not pay tax on taxable dividends received from taxable Canadian corporations. The Corporation will be subject to tax each year on its net income (including interest and foreign income) and net taxable capital gains at normal corporate rates, but will generally be entitled to a refund of tax on its capital gains when mutual fund shares are redeemed or capital gains dividends are paid to shareholders. The Corporation intends to pay dividends only to the extent necessary to minimize the overall tax liability of the Corporation.

The Corporation has established a policy to determine how it will allocate income and capital gains in a tax-efficient manner among the funds in a way that is fair, consistent and reasonable for shareholders. The amount of dividends and capital gains dividends paid to shareholders of the Corporation is based on this tax allocation policy, which has been approved by the Board of Directors of the Corporation.

The income of a fund includes dividends, interest and other distributions the fund earns from its investments as well as gains from its investments in certain derivatives. A fund may realize capital gains or losses when it sells its investments. Where applicable, a fund can earn income through distributions on units from underlying funds and can receive capital gains through distributions of capital gains from underlying funds. A fund can also realize capital gains or losses when it sells units of underlying funds, or other investments it holds directly.

Certain funds may invest in an underlying fund that may enter into one or more reference fund forwards. An underlying fund will not realize any income, gain or loss as a result of entering into a reference fund forward. The Corporation's share of gains and losses realized by an underlying fund on the sale of Canadian securities under a reference fund forward will be treated as capital gains or capital losses by reason of a tax election made by the Corporation. The 2013 federal budget includes a proposal to eliminate the capital gains tax treatment associated with reference fund forwards. Based on grandfathering rules announced by the Department of Finance on July 11, 2013, RBC GAM expects that the 2013 budget proposal would not affect the tax treatment of the reference fund forwards prior to 2015, provided the reference fund forwards stay within certain growth limits and settle prior to 2015. The disclosure in this simplified prospectus regarding the tax treatment of the reference fund forwards should be read in light of the 2013 budget proposal, as modified by the July 11, 2013 announcement. If obligations under a reference fund forward are settled by making cash payments (as opposed to delivering securities), a payment received or made by an underlying fund may be considered a receipt or outlay on income account, as applicable, and the Corporation will be allocated its share of any net income or loss.

How your investment is taxed

The tax you pay on your investment depends on whether you hold your mutual fund shares in a registered plan or TFSA.

For mutual fund shares held in a registered plan or TFSA

Eligibility

It is intended that mutual fund shares of each of the funds will be qualified investments for trusts governed by registered plans and TFSAs.

In the case of a TFSA, RRSP and RRIF, provided that you do not hold a significant interest in the Corporation and provided that you deal at arm's length with the Corporation for purposes of the *Income Tax Act* (Canada), the mutual fund shares of a fund will not be a prohibited investment for your TFSA, RRSP or RRIF. Generally, you will not be considered to have a significant interest in the Corporation unless you own 10% or more of the issued mutual fund shares of any class or

series of the mutual fund shares of the Corporation. Shareholders should consult with their tax advisors regarding whether an investment in a fund may be a prohibited investment for a TFSA, RRSP or RRIF in their particular circumstances.

Distributions and capital gains

If you hold your mutual fund shares of a fund through a registered plan or TFSA, you will not pay tax on distributions or capital gains so long as they remain within the plan. However, any withdrawals or distributions from your registered plan may be subject to tax (other than a return of contributions from an RESP or certain withdrawals from an RDSP). Withdrawals from a TFSA are not taxable.

For mutual fund shares held in a non-registered account

Buying mutual fund shares before a dividend payment

The net asset value of the mutual fund shares may include income and/or capital gains that have been earned but not yet distributed. If you buy mutual fund shares of a fund just before it declares a dividend, you will be taxed on that dividend payment. Any amount reinvested in additional mutual fund shares of the fund will be added to the adjusted cost base of your mutual fund shares.

Distributions

- As a holder of mutual fund shares, you may receive ordinary dividends which will be treated as taxable dividends (including eligible dividends) paid by a Canadian company. The amount of such dividends will be included in computing your income whether or not they are reinvested in additional mutual fund shares. The dividend gross-up and tax credit treatment normally applicable to taxable dividends (including eligible dividends) paid by Canadian companies will apply to such dividends.
- You may also receive a capital gains dividend. The Corporation may realize capital gains on the disposition of portfolio assets including as a result of shareholders of a class switching their mutual fund shares into mutual fund shares of another class. Capital gains dividends will be paid out of such capital gains so that shareholders and not the Corporation will pay the capital gains tax. The directors of the Corporation will decide when, how much, and to which class of shareholders capital gains dividends will be paid. If you receive a capital gains dividend, you will generally be treated as if you had realized a capital gain in the amount of the dividend, whether or not the amount is reinvested in additional mutual fund shares of the fund. One-half of your net capital gains for the year will be included in your income.
- If a fund pays a return of capital, such amount will generally not be taxable but will reduce the adjusted cost base of the shareholder's mutual fund shares of the fund. However, where such returns of capital are reinvested in new mutual fund shares, the overall adjusted cost base of the shareholder's mutual fund shares will not be reduced. If reductions to the adjusted cost base of a shareholder's mutual fund shares would result in such adjusted cost base becoming a negative amount, that amount will be treated as a capital gain realized by the shareholder and the adjusted cost base will become zero.
- You will be informed each year of the amount of taxable dividends (including eligible dividends) and capital gains dividends that have been paid out to you.
- You should consult your own tax advisor regarding the deductibility of any fees paid by you in respect of Series O shares.

Calculating your capital gains or losses when you redeem your mutual fund shares

You are responsible for tracking and reporting to the Canada Revenue Agency any capital gain or loss that you realize. Your capital gain or loss for tax purposes on a redemption or switch of mutual fund shares (other than a switch between classes of the Corporation), generally including a redemption on termination of a fund (including where the shareholder receives mutual fund shares of another fund), is the difference between the amount you receive for the redemption or switch (less any fees) and the adjusted cost base of those mutual fund shares. One-half of a capital gain or a capital loss is taken into account in determining taxable capital gains and allowable capital losses. Allowable capital losses are only deductible against taxable capital gains in accordance with detailed tax rules. You may also realize capital gains or losses on mutual fund shares redeemed to pay any fees in connection with switches or short-term trading fees.

If you have bought mutual fund shares at various times, you will likely have paid various prices. This includes mutual fund shares you received through reinvested distributions, switches or reclassifications. Your adjusted cost base of a mutual fund share of a series is the weighted average cost of all the mutual fund shares you hold in that series of the fund.

How to calculate the adjusted cost base of a mutual fund share of a series of a fund:

- Start with your initial investment, including any sales charges you paid.
- Add any additional investments, including any sales charges you paid, including management fee rebates reinvested in additional mutual fund shares of the series and any amounts switched from other funds other than a switch between classes of the Corporation.

- Add the adjusted cost base of any mutual fund shares of another class of the Corporation that have been switched into mutual fund shares of the series.
- Add the adjusted cost base of any mutual fund shares reclassified from another series.
- Add the amount of any reinvested dividends or other distributions.
- Subtract the adjusted cost base of any mutual fund shares that were previously sold, redeemed, switched to another fund or reclassified to another series.
- Subtract any distributions that have been treated as a return of capital.
- Divide by the number of mutual fund shares of that series that you own.

A reclassification of mutual fund shares from one series to another series of the same fund is not considered to be a redemption, so no capital gain or loss will arise on the reclassification. While your adjusted cost base per mutual fund share will change, the total adjusted cost base of all of your mutual fund shares will not.

If you switch your investment from mutual fund shares of one class of the Corporation to mutual fund shares of another class of the Corporation, you will not be considered to have sold or redeemed your mutual fund shares, and the cost of your new mutual fund shares will be the same as the adjusted cost base of the mutual fund shares that were switched. However, a switch in any other case (e.g. from mutual fund shares of a class of the Corporation to securities of an RBC Fund) will be treated as a disposition of the switched mutual fund shares and an acquisition of the new securities. Therefore, on such a switch, you may realize a capital gain or loss and the adjusted cost base of your investment may change.

Portfolio turnover rate

In general, the higher the portfolio turnover rate of a fund in a year, the greater the chance that a shareholder may receive a capital gains dividend. If reinvested, this amount will be added to the adjusted cost base of the shareholder's mutual fund shares for tax purposes. There is not necessarily a relationship between a high turnover rate and the performance of a fund. However, a high turnover rate for a fund will increase trading costs, which are expenses payable by the fund.

What are your legal rights?

Securities legislation in some provinces gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund shares and get your money back if you do not receive our simplified prospectus, or to make a claim for damages if the simplified prospectus, annual information form or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.

Words and phrases used in this simplified prospectus

We have written this simplified prospectus in plain language to help you understand how our mutual funds work. Financial terms can be complex, so we have provided a more complete definition of some of them here. If you have any questions after reading this section, please call the number on the back of this simplified prospectus or your dealer.

Adjusted cost base
In general terms, it is the total price you paid for all the mutual fund shares of a series of a fund in your account, including reinvested distributions. The adjusted cost base per mutual fund share of a series is the weighted average price paid per mutual fund share of that series.

American Depositary Receipts (*ADRs*)
U.S. dollar denominated certificates representing ownership in the shares of a foreign-based corporation. The shares are held by a bank, which issues the ADRs and acknowledges that it holds the underlying shares. ADRs enable investors to acquire and trade non-U.S. securities in U.S. dollars.

Annual information form
A document filed by the funds with Canadian securities regulators. It provides supplementary information about the funds.

Asset-backed commercial paper
A short-term debt security issued by a trust or a special purpose vehicle which in turn buys various assets that produce income streams such as trade receivables, auto loans, home equity loans and mortgages. The trust (otherwise known as a conduit) funds the purchase of these various assets by issuing commercial paper.

Bond
A long-term debt security issued or guaranteed by a government or business entity. The issuer promises to pay the holder a specified amount of interest and return the principal amount when the bond matures. Bonds can be transferred from one owner to another. They should not be confused with Canada Savings Bonds which, generally, can be owned and cashed only by the original buyer.

Collateralized debt obligation
A structured security backed by cash flows and/or market value of a diversified portfolio of assets (collateral). Collateral consists primarily of cash debt securities and credit derivatives. Collateralized debt obligations offer investors access to a diversified and managed portfolio of assets in a single investment that can provide enhanced returns.

Commercial paper
A short-term debt security issued by banks, corporations and other borrowers. The issuer promises to pay the holder a specific amount, with interest, on a specified day in the future. It is generally not secured by assets and is usually offered at varying interest rates, depending on its term.

Debenture
A bond that is not secured by any pledge of property. Debentures are backed only by the general credit of the issuer.

Debt-like security
An obligation to repay borrowed money, where the amount to be repaid is linked to a market price, the value of an index or an economic indicator such as changing interest or exchange rates.

Debt securities
Obligations to repay borrowed money within a certain time, with or without interest. Bonds, debentures, commercial paper, asset-backed commercial paper, notes and treasury bills (*T-bills*) are debt securities.

Derivatives
A financial instrument that "derives" its value from the performance of an underlying asset, index or other investment.

Equity
When you buy shares in a corporation, you are buying "equity," or ownership rights, in that corporation. Shares are often referred to as "equities."

Forward contract
A commitment made today to buy or sell a currency, commodity or security on a specific day in the future at a specified price. The terms of the contract are agreed upon when the commitment is made. Forward contracts are traded through an over-the-counter telephone or computer network. See also "Over-the-counter trading."

Futures contract
Similar to a forward contract, except that it has standardized terms and conditions and is traded only on a futures exchange, not over-the-counter.

Hedge
A strategy used to offset or reduce the risk associated with an investment or a group of investments. For example, if a fund buys investments valued in U.S. dollars, it can sign an agreement to protect or "hedge" the value of the investment against a change in the value of the Canadian dollar relative to the U.S. dollar.

Index
A means of measurement. There are indices that measure the rise and fall of key consumer goods and services and others that track fluctuations in the value of stocks and bonds.

Index funds
An investment alternative to actively managed mutual funds. Index investing is a passive strategy which selects securities based on their representation in a particular index. The objective of index investing is to provide returns similar to those of the selected index. Index funds, like other mutual funds, are liquid investments and the securities they hold are diversified across a number of industry sectors. Index funds tend to have lower fees and expenses, as individual security selection is virtually eliminated, so expensive research is not required. Transaction costs are also minimized as the index funds generally only change the securities they hold in response to a change in the composition of the index. Therefore, there is less portfolio turnover, which may result in better tax efficiency for the index funds.

Index investing
A method of investing that caters to investors looking for a way to match the risk and return character of a specific market index. Index investing is a passive strategy which selects securities based on their representation in a particular securities index. The objective of index investing is to provide returns similar to those of the selected index.

Index Participation Unit
A security of a special purpose entity which holds the securities that are included in a specified widely published market index in substantially the same proportion as those securities are reflected in the index.

Leverage
Using borrowed funds to help pay for an investment. Leveraging magnifies the amount you make or lose, because the gain or loss is measured against the portion of the investment you have not borrowed – not against the total investment. For example, if you borrow $500 to make a $1,000 investment, and the value of the investment increases by $100, your gain is 20% ($100 gain on the $500 you have not borrowed), not 10%. Similarly, if the value of the investment decreases by $100, your loss will be 20%.

Liquidity
An investment is "liquid" if it can be bought and sold on a public market. Liquidity also refers to how easy it is to convert an investment to cash at a reasonable price.

Listed warrant
Gives the owner the right, but not the obligation, to buy or sell certain securities at a specified price within a certain time period. Listed warrants are publicly traded.

London Inter-Bank Offered Rate (*LIBOR*)
The rate of interest on U.S.-dollar-denominated deposits traded between banks in London, widely used as an international interest rate indicator. It may be quoted as a one-month, three-month, six-month, or one-year rate. The LIBOR allows investors to match their cost of lending to their cost of funds, and is often used as a base index for setting rates of some adjustable rate financial instruments, including Adjustable Rate Mortgages (*ARMs*).

Management expense ratio
The total fees and expenses a fund paid during a year divided by its average assets for that year.

Market capitalization
Number of outstanding shares of a corporation, multiplied by the price per share.

Mid-cap
Refers to market capitalization. Mid-capitalization companies are those companies whose total market value is in the middle range of those listed on a particular stock market. In the United States, mid-cap stocks have a market value between US $1 billion and US $10 billion.

Money market securities
Short-term obligations such as T-bills, commercial paper and bankers acceptances.

Mutual fund shares
Mutual fund shares are issued by a mutual fund corporation and represent your investment in the fund constituted by that class of mutual fund shares. When you invest in a class of mutual fund shares of a mutual fund corporation, you buy mutual fund shares or fractions of mutual fund shares of the mutual fund constituting that class.

Note
A debt security committing the issuer to pay a specific sum of money, either on demand or on a fixed date in the future, with or without interest.

Option or option on futures
Gives the owner the right, but not the obligation, to buy or sell a security or futures contract within a certain time period, at a specified price. A call option is the right to buy; a put option is the right to sell. The buyer of the option pays the seller a premium. Options can be traded on an exchange or over-the-counter.

Over-the-counter trading (*OTC*)
This term refers to trading in stocks or options through a computer or telephone network rather than through a public stock exchange. The term originates from the time share certificates were purchased over a bank or a store counter.

Portfolio turnover rate
A rate calculated based on the lesser of securities purchased or sales proceeds divided by the average market value of portfolio securities for the period, excluding short-term securities.

Repurchase agreements ("repo")
This agreement is like a short-term loan and takes place when one party buys a security at one price and agrees to sell it back later to the same party at a higher price. The difference between the higher price and the original price is like the interest rate payment on a loan.

Return of capital
A return of capital occurs when a fund pays an amount to its shareholders that is part of the share capital of the fund rather than being a dividend paid out of amounts earned by the fund, as may be the case when a fund's objective is to pay shareholders a fixed regular monthly distribution such as the distribution on the Advisor T5 Series, Series T5 and Series FT5 mutual fund shares. If the dividends paid by the fund are less than the amount of the regular distributions, a return of capital is added to make up the remainder of the distribution. This helps to maintain a consistent payout rate each month. Return of capital represents a return to the investor of a portion of their own invested capital. The main benefit of return of capital distributions is that, unlike dividends on mutual fund shares, which must be taken into account for income tax purposes when received, a return of capital distribution is not immediately taxable when received, although it reduces the adjusted cost base of your mutual fund shares which may result in a larger capital gain on a future sale of your mutual fund shares.

Securities
Investments or financial instruments such as shares, debt securities, units of an underlying fund and derivatives.

Share value
The total value of a fund's assets allocable to a series, minus the liabilities allocable to that series, divided by the number of outstanding shares of that series.

Shares
Units of ownership in a corporation that give the owner certain stated rights. Holders of preferred shares generally have preference over holders of common shares when a corporation pays dividends or liquidates its assets.

Small-cap company
A company whose market capitalization is small relative to other companies. Market capitalization is determined by multiplying the price of a stock by the number of shares outstanding.

Standard & Poor's
Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc.

Swaps
These are negotiated contracts between parties agreeing to exchange payments based on returns of different investments. The most common type is an interest rate swap. Party A agrees to pay Party B a fixed amount based on a pre-set interest rate. In return, Party B agrees to pay Party A a floating amount based on a reference rate such as bankers acceptances or LIBOR.

Treasury bills (*T-bills*)
Short-term debt securities issued or guaranteed by federal, provincial or other governments. T-bills are issued at a discount and do not pay any interest. The return on a T-bill is the difference between the price you pay and its "face" or par value.

RBC Corporate Class Funds

You will find more information about each fund in its annual information form, fund facts, management reports of fund performance and financial statements. These documents are incorporated by reference into this simplified prospectus. That means they legally form part of this simplified prospectus just as if they were printed in it.

For a copy of these documents, at no cost, please call us toll-free at 1-800-463-FUND (3863) (English) or 1-800-668-FOND (3663) (French), email us at funds.investments@rbc.com (English) or fonds.investissements@rbc.com (French) or ask your dealer.

You can also get copies of this simplified prospectus, the annual information form, the management reports of fund performance, fund facts and the financial statements from the RBC GAM website at www.rbcgam.com.

These documents and other information about the funds, such as information circulars and material contracts, are also available at www.sedar.com.

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