

AMENDMENT NO. 1 dated August 1, 2014 to the Simplified Prospectus dated June 27, 2014.

PH&N FUNDS

Offering Series C, Advisor Series, Series D, Series F and Series O units of the

Phillips, Hager & North Overseas Equity Fund
Phillips, Hager & North Global Equity Fund
Phillips, Hager & North Community Values Global Equity Fund
(the “Funds”)

This Amendment No. 1 dated August 1, 2014 to the simplified prospectus of the Funds dated June 27, 2014 (the “Simplified Prospectus”) provides certain additional information relating to the Funds. The Simplified Prospectus with respect to the Funds should be read subject to this information. All terms used in this Amendment No. 1 have the same meaning as those used in the Simplified Prospectus. All page numbers refer to the pages in the commercial printed copy of the Simplified Prospectus.

Summary

RBC Global Asset Management Inc. (“RBC GAM”) has appointed RBC Global Asset Management (UK) Limited as sub-advisor for the Funds effective mid-August, 2014. RBC GAM will continue to provide investment management oversight for the Funds.

Amendment

The Simplified Prospectus is hereby amended as follows:

1. The disclosure in the right column of the second row of the table under the heading “Organization and management of the Funds” on page 8 of the Simplified Prospectus in respect of the sub-category “Portfolio Advisor and Sub-Advisors – Phillips, Hager & North investment funds” is deleted and replaced with the following:

As principal portfolio advisor, RBC GAM manages the investment portfolios of the Funds directly or through sub-advisors. RBC Global Asset Management (UK) Limited (“RBC GAM UK”) is the sub-advisor with respect to the Overseas Equity Fund, the Global Equity Fund and with respect to the non-North American equity assets of the Community Values Global Equity Fund. RBC Global Asset Management (U.S.) Inc. (“RBC GAM U.S.”) is the sub-advisor with respect to the U.S. Multi-Style All-Cap Equity Fund. RBC GAM is affiliated with RBC GAM UK and RBC GAM U.S. The fees for RBC GAM’s sub-advisors are paid by RBC GAM and not the Funds. RBC GAM is ultimately responsible for the advice provided to the Funds even if it is provided through a sub-advisor. You may have difficulty in enforcing any legal rights against RBC GAM UK and RBC GAM U.S. because RBC GAM UK and RBC GAM U.S. are resident outside Canada and all or a substantial portion of their respective assets are situated outside Canada.

2. The references to “Sky Investment Counsel Inc.” in the Sub-advisor rows of the “Fund details” tables on pages 77 and 83 of the Simplified Prospectus are deleted and replaced with references to “RBC Global Asset Management (UK) Limited”.
3. The “Fund details” table of the Phillips, Hager & North Global Equity Fund on page 81 of the Simplified Prospectus is amended by adding the following disclosure under the fourth row – “Eligibility”:

Sub-advisor	RBC GAM UK is our sub-advisor with respect to the Fund. For further information, see the heading <i>Portfolio Advisor and Sub-Advisors – Phillips, Hager & North investment funds</i> under <i>Organization and management of the Funds</i> on page 8.
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4. The first paragraph and the first sentence of the second paragraph under the heading “Investment strategies” on page 81 of the Simplified Prospectus are deleted and replaced with the following:

To achieve the Fund’s investment objectives, we or our sub-advisor generally look for companies to invest in that have:

5. The following paragraph is added after the fifth paragraph under the heading “Investment strategies” on page 82 of the Simplified Prospectus:

We may from time to time invest a significant portion or even all of the Fund’s net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund’s investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund’s investment objectives and strategies, and otherwise complies with applicable securities laws.

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 Fund Facts, 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 units and get your money back if you do not receive our Simplified Prospectus or Fund Facts, or to make a claim for damages if the Simplified Prospectus, Annual Information Form, Fund Facts 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.

Phillips, Hager & North Investment Management is a division of RBC Global Asset Management Inc., the manager of the Funds and an indirect wholly-owned subsidiary of Royal Bank of Canada.

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