



AMENDMENT NO. 2 dated April 8, 2016 to the simplified prospectus dated October 21, 2015, as amended by amendment no. 1 dated February 29, 2016.

RBC CORPORATE CLASS FUNDS

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

RBC Short Term Income Class
RBC Canadian Dividend Class
RBC Canadian Equity Class
RBC QUBE Low Volatility Canadian Equity Class
Phillips, Hager & North Canadian Equity Value Class
RBC Canadian Mid-Cap Equity Class
RBC North American Value Class
RBC U.S. Dividend Class
RBC U.S. Equity Class
RBC QUBE Low Volatility U.S. Equity Class
RBC U.S. Equity Value Class
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class
RBC U.S. Mid-Cap Value Equity Class
RBC U.S. Small-Cap Core Equity Class
RBC International Equity Class
Phillips, Hager & North Overseas Equity Class
RBC European Equity Class
RBC Emerging Markets Equity Class
RBC Global Equity Class
RBC QUBE Low Volatility Global Equity Class
RBC Global Resources Class

Series A, Series D, Series F and Series O mutual fund shares

RBC \$U.S. Short Term Income Class

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

BlueBay Global Convertible Bond Class (Canada)
Phillips, Hager & North Monthly Income Class
RBC Canadian Equity Income Class

Series A, Advisor Series, Series D, Series F and Series O mutual fund shares

BlueBay \$U.S. Global Convertible Bond Class (Canada)

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

RBC Balanced Growth & Income Class
(collectively, the *funds* and each, a *fund*)

This amendment no. 2 dated April 8, 2016 to the simplified prospectus of the funds dated October 21, 2015, as amended by amendment no. 1 dated February 29, 2016 (the *simplified prospectus*) provides certain additional information relating to the funds, and the simplified prospectus, with respect to the funds, should be read subject to this information.

Summary

On March 22, 2016, the Canadian Government introduced the 2016 federal budget, which included a proposal to prevent the deferral of capital gains tax by investors in a mutual fund corporation. The federal budget proposes to amend the *Income Tax Act* (Canada) so that a switch between classes of shares of a mutual fund corporation will be considered to be a disposition at fair market value for tax purposes. The proposal is expected to become effective after September 2016. Until then, the funds will continue to operate in the same manner as prior to the federal budget proposal. RBC Global Asset Management Inc. ("RBC GAM"), the manager of the funds, is awaiting further guidance from the federal government with respect to the implementation of the federal budget proposal.

Amendments

The simplified prospectus is amended as follows:

1. The following footnote is added after the last bullet under the subheading *Who should invest in this fund?* in the Part B section of each of the funds:

"The federal budget released on March 22, 2016 includes a proposal that, if implemented, would eliminate your ability to switch from one class of the Corporation to another on a tax-deferred basis after September 2016. See *Income tax considerations for investors* starting on page 86 for more information."

2. The following paragraph is added after the second paragraph under the subheading *Purchases, switches and redemption – Switches* on page 76:

"The federal budget released on March 22, 2016 includes a proposal that, if implemented, would eliminate your ability to switch from one fund to another fund within the Corporation on a tax-deferred basis after September 2016. See *Income tax considerations for investors* starting on page 86 for more information."

3. The following paragraph is added after the second paragraph under the heading *Income tax considerations for investors* on page 86:

"The federal budget released on March 22, 2016 proposes to eliminate the ability of shareholders of a "mutual fund corporation" under the *Income Tax Act* (Canada) to switch among different share classes on a tax-deferred basis after September 2016. As a result, if this proposal is implemented, the switch by a shareholder of mutual fund shares of one class of the Corporation into mutual funds shares of another class of the Corporation would result in a disposition for tax purposes and a capital gain or a capital loss would be realized. The proposed measure would not apply to reclassifications of mutual fund shares where the mutual fund shares received in exchange differ only in respect of management fees or expenses to be borne by shareholders and otherwise derive their value from the same fund within the "mutual fund corporation". This exception is expected to permit shareholders to continue to switch between different series of the same class of the Corporation on a tax-deferred basis. RBC GAM is reviewing this budget proposal and considering what steps, if any, it will take in response, whether the proposal is implemented in the manner presented or in some other manner. Detailed legislative measures that would enact this proposal have not yet been released."

What are your legal rights?

Securities legislation in some provinces and territories 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, or 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, please refer to the securities legislation of your province or territory, or consult your lawyer.