

AMENDMENT NO. 2 dated March 13, 2017 to the Simplified Prospectus dated June 30, 2016, as amended by Amendment No. 1 dated November 24, 2016.

PH&N FUNDS

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

BonaVista Global Balanced Fund
BonaVista Canadian Equity Value Fund
(the "Funds")

This Amendment No. 2 dated March 13, 2017 to the simplified prospectus of the Funds dated June 30, 2016, as amended by Amendment No. 1 dated November 24, 2016 (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 and not defined in this Amendment No. 2 have the same meaning as those used in the Simplified Prospectus.

RBC Global Asset Management Inc., the manager of the Funds, has announced that on May 26, 2017 (the "Effective Date"), the Funds will be terminated. RBC GAM has also announced that effective March 6, 2017, the Funds are no longer available for purchase. At the time of termination, all references to the Funds will be deemed to be removed from the Simplified Prospectus.

Unitholders may redeem or switch their units of the Funds until the Effective Date, at which time any remaining units will be redeemed and proceeds will be distributed to the Funds' unitholders. In the case of units held within a registered plan, unless unitholders instruct otherwise prior to the Effective Date, redemption proceeds will remain within the registered plan.

Unitholders will be sent written notice detailing information and changes related to the termination at least 60 days before the Effective Date.

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.

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.