

**AMENDMENT NO. 3** dated November 17, 2014 to the Simplified Prospectus dated June 27, 2014 as amended by Amendment No. 1 dated August 1, 2014 and Amendment No. 2 dated October 17, 2014.

**PH&N FUNDS**

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

Phillips, Hager & North High Yield Bond Fund  
(the "Fund")

This Amendment No. 3 dated November 17, 2014 to the simplified prospectus dated June 27, 2014 as amended by Amendment No. 1 dated August 1, 2014 and Amendment No. 2 dated October 17, 2014 (collectively, the "Simplified Prospectus") provides certain additional information relating to the Fund. The Simplified Prospectus with respect to the Fund should be read subject to this information. All terms used and not defined in this Amendment No. 3 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. has announced that Series C, Advisor Series, Series D, Series F and Series O units of the Fund will be closed to new investors effective November 26, 2014. Existing investors can continue to make additional investments in the Series C, Advisor Series, Series D, Series F and Series O units of the Fund.

**Amendment**

The Simplified Prospectus is hereby amended as follows:

1. The "Fund details" table on page 33 of the Simplified Prospectus is amended by (i) adding a reference to note 2 in the second row – "Date started", (ii) redesignating the current note 2 as note 3 and (iii) replacing the current reference to note 2 in the "Management fee" column in the fifth row – "Fees and expenses" with a reference to note 3.
2. The following text is inserted: (i) as note 2 to the "Fund details" table on page 33 of the Simplified Prospectus; and (ii) under a new subheading entitled "Restrictions on purchasing units of certain Funds" which is inserted immediately after the fifth paragraph under the subheading "Purchases, switches and redemptions – How to buy, redeem and switch – All Series" on page 116 of the Simplified Prospectus:

Effective November 26, 2014, units of the High Yield Bond Fund are no longer available for purchase by new investors. Investors who held units of the High Yield Bond Fund on November 26, 2014 can continue to make additional investments into the High Yield Bond Fund. Please contact us or your dealer for more information.
3. The subheading "Restrictions on purchasing units of certain Funds" is added to the Table of Contents on page 2 of the Simplified Prospectus accordingly under the heading "Purchases, switches and redemptions".

## **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 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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