



RBC Managed Payout Solution

Investment Objective

To provide a high regular monthly income with a potential for modest capital appreciation and to provide relatively tax efficient distributions consisting primarily of interest income and, to a lesser degree, dividend income, realized capital gains and a return of capital.

Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A | No Load | CAD | RBF581 |
| Adv | Deferred Sales | CAD | RBF854 |
| Adv | Front End | CAD | RBF754 |
| Adv | Low Load | CAD | RBF121 |

| | |
|-------------------------|---|
| Inception Date | August 2004 |
| Total Fund Assets \$Mil | 3,873.4 |
| Series A NAV \$ | 9.22 |
| Series A MER % | 1.63 |
| Benchmark | 2% FTSE TMX Canadian 30 Day T-Bill Index 18% FTSE TMX Canada Short Term Overall Bond Index 50% FTSE TMX Canada Universe Bond Index 2.5% BoA Merrill Lynch U.S. High Yield BB-B Index (Hedged to C\$) 2.5% JP Morgan EMBI Global Diversified Index (Hedged to C\$) 20% S&P/TSX Capped Composite Total Return Index 5% S&P 500 Total Return Index (C\$) |

| | |
|-------------------------------|----------|
| Income Distribution | Monthly |
| Capital Gains Distribution | Annually |
| Monthly Distribution (¢/unit) | 3.80 |
| Current Payout Rate (%)* | 4.95 |

*Assuming 12 consecutive months at the monthly distribution set out above. The estimate does not include any year-end capital gains distributions paid in addition to the regular monthly distribution nor should it be confused with performance or rates of return.

| | |
|--------------------------|------|
| Sales Status | Open |
| Min. Investment \$ | 500 |
| Subsequent Investment \$ | 25 |

| | |
|---------------|-----------------------------------|
| Fund Category | Canadian Fixed Income Balanced |
|---------------|-----------------------------------|

| | |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
|--------------------|----------------------------------|

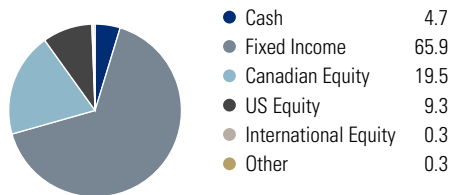
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|----------|----------------|
| Web Site | www.rbcgam.com |
|----------|----------------|

Notes

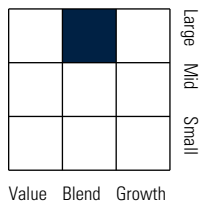
Fund name changed effective June 27, 2008. Fund was previously known as RBC Cash Flow Portfolio.

Portfolio Analysis as of April 30, 2017

Asset Mix



Equity Style



Statistics

| | |
|-------------------|------|
| P/B Ratio | 2.0 |
| P/E Ratio | 16.9 |
| Avg. Mkt Cap. \$B | 41.1 |

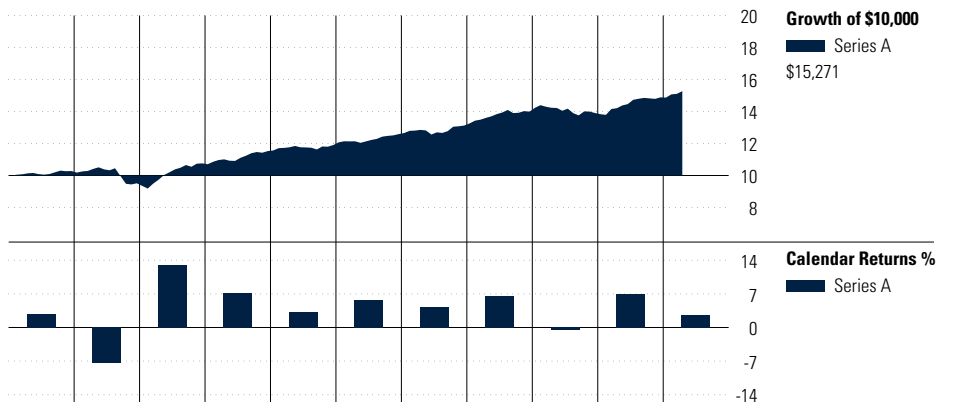
Top 5 Sectors

| Sector | % Equity |
|------------------------|----------|
| Financials | 34.4 |
| Energy | 17.0 |
| Industrials | 9.4 |
| Information Technology | 6.9 |
| Consumer Discretionary | 6.8 |

Income-Generating Asset-Class

| Asset-Class | % Assets |
|----------------------------------|----------|
| Common Shares | 29.1 |
| Investment-Grade Corporate Bonds | 28.9 |
| Government Bonds | 27.7 |
| High Yield Bonds | 9.3 |
| Other | 4.8 |
| Preferred Shares | 0.3 |

Performance Analysis as of April 30, 2017



| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | YTD | Fund Quartile |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------------------------|
| Growth of \$10,000 | 2.8 | -7.5 | 13.1 | 7.2 | 3.2 | 5.8 | 4.3 | 6.6 | -0.6 | 7.0 | 2.6 | 1 st to 4 th |
| Calendar Returns % | 1 st | 2 nd | 2 nd | 2 nd | 2 nd | 2 nd | 3 rd | 3 rd | 4 th | 1 st | 4 th | |

| Period | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Incep. | Trailing Return % | No. of Funds in Category |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|--------------------------|--------------------------|
| Calendar Returns % | 1.1 | 2.7 | 3.1 | 7.5 | 3.9 | 4.7 | 4.2 | 4.5 | Fund Quartile | 531 |
| Calendar Returns % | 4 th | 4 th | 3 rd | 2 nd | 3 rd | 3 rd | 2 nd | — | Quartile | 530 |
| Calendar Returns % | 531 | 530 | 528 | 505 | 399 | 289 | 136 | — | No. of Funds in Category | 528 |



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Management Overview

Manager Bios

Sarah Riopelle

RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charterholder.

Performance Analysis Cont'd as of April 30, 2017

| Distributions (\$)/Unit | YTD* | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions | 0.15 | 0.45 | 0.47 | 0.47 | 0.47 | 0.47 | 0.47 | 0.46 | 0.45 | 0.51 | 0.69 |
| Interest | 0.15 | 0.06 | 0.09 | 0.07 | 0.09 | 0.09 | 0.07 | 0.15 | 0.14 | 0.16 | 0.23 |
| Dividends | — | 0.06 | 0.06 | 0.07 | 0.07 | 0.07 | 0.06 | 0.07 | 0.06 | 0.06 | 0.04 |
| Capital Gains | — | 0.02 | 0.21 | 0.19 | 0.05 | 0.03 | 0.02 | — | — | — | 0.33 |
| Return Of Capital | — | 0.30 | 0.11 | 0.13 | 0.26 | 0.28 | 0.32 | 0.24 | 0.25 | 0.30 | 0.10 |

| Best/Worst Periods % | Ended | 1 Yr | Ended | 3 Yr | Ended | 5 Yr | Ended | 10 Yr |
|----------------------|--------|-------|--------|------|--------|-------|--------|-------|
| Best | 2-2010 | 18.2 | 2-2012 | 9.7 | 2-2014 | 7.9 | 8-2014 | 4.9 |
| Worst | 2-2009 | -10.4 | 2-2009 | -1.5 | 6-2010 | 3.3 | 2-2016 | 3.7 |
| Average | | 4.4 | | 4.3 | | 4.5 | | 4.2 |
| No. of Periods | | 141 | | 117 | | 93 | | 33 |
| Pct. Positive | | 87.2 | | 95.7 | | 100.0 | | 100.0 |

* Distributions are characterized into income type at year-end.

Quarterly Commentary as at March 31, 2017

Global economic growth firmed, with a pickup in the Eurozone starting to factor into the expansion. In March, the U.S. Federal Reserve boosted its benchmark interest rate for the second time in three months, reflecting optimism about the expansion. However, longer-term U.S. bond yields fell late in the period on concern that President Trump might have trouble winning approval for his proposed economic reforms.

The Fund's overweight position in equities and underweight position in fixed income had a positive impact on performance. Canadian, U.S. and U.K. bonds posted gains, while the improved outlook for the Eurozone resulted in losses for the region's government bonds. The RBC Bond Fund, the RBC Global Corporate Bond Fund and the RBC Canadian Short-Term Income Fund had a positive impact on the Fund's returns.

Major equity markets rose, led by Europe and emerging markets, amid optimism that economies

around the world were gathering momentum. Investments that contributed positively to the Fund's performance included the equity portion of the RBC Monthly Income Fund, the RBC QUBE U.S. Equity Fund and the PH&N Canadian Income Fund.

Leading economic indicators are at their best levels in several years, economic surprises have been overwhelmingly positive and profits continue to recover. As a result, risk assets have performed well. We expect bond yields to rise, resulting in low or potentially negative returns over the years ahead, and we therefore remain underweight bonds. Long-term expected returns for stocks are more attractive, accounting for our equity overweight. In the near term, however, uncertainty surrounding U.S. public policy and a variety of style and technical factors have led us to reduce our exposure to stocks, where we remain overweight, but a little less so than before.



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Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

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and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at www.sedar.com.

MER (%) for RBC Funds and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, 2016 to September 30, 2016, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

PH&N Funds Series A formerly known as Series C.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on investment of any fund.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A and F units of the Fund as of April 30, 2017.

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