

This document contains key information you should know about the RBC PH&N Short Term Canadian Bond ETF. You can find more detailed information about this exchange-traded fund (ETF) in the prospectus. The prospectus is available on the RBC Global Asset Management Inc. (RBC GAM) website at [www.rbcgam.com/etfs](http://www.rbcgam.com/etfs), by contacting RBC GAM at [etfs.investments@rbc.com](mailto:etfs.investments@rbc.com) or by calling 1-855-RBC-ETFS (722-3837), or by contacting your representative.

Before you invest, consider how the ETF would work with your other investments and your tolerance for risk.

Quick facts		Trading information (12 months ending March 31, 2019)		Pricing information (12 months ending March 31, 2019)	
Date ETF Started:	October 19, 2017	Ticker Symbol:	RPSB	Market Price:	\$19.64 - \$20.10
Total Value on March 31, 2019:	\$41.14 million	Exchange:	TSX	Net Asset Value (NAV):	\$19.66 - \$20.11
Management Expense Ratio (MER):	0.39%	Currency:	CAD	Average Bid-Ask Spread:	0.11%
Fund Manager:	RBC GAM	Average Daily Volume:	28,737 units		
Portfolio Manager:	RBC GAM	Number of Days Traded:	250 out of 251 trading days		
Distributions:	Monthly				

### What does the ETF invest in?

The investment objective of the ETF is to provide regular monthly income with the potential for modest capital growth by investing primarily in a well-diversified portfolio of short-term fixed-income securities issued by Canadian corporations and governments.

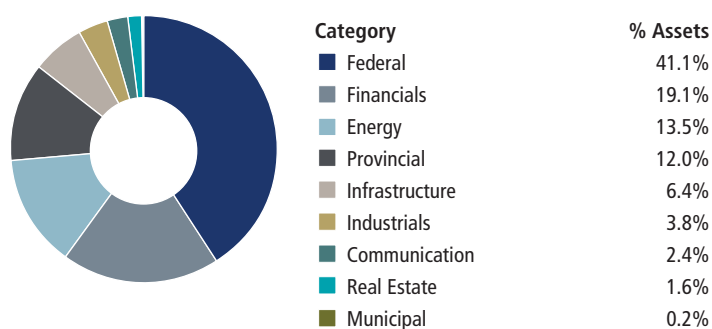
The charts below give you a snapshot of the ETF's investments on March 31, 2019. The ETF's investments will change.

#### Top 10 Investments (March 31, 2019)

1	CANADA HOUSING TRUST NO. 1 1.25% DECEMBER 15, 2020	7.7%
2	PROVINCE OF ONTARIO CANADA 2.85% JUNE 2, 2023	4.8%
3	CANADA HOUSING TRUST NO. 1 2.35% JUNE 15, 2023	4.5%
4	CANADIAN GOVERNMENT REAL RETURN BOND 4.25% DECEMBER 1, 2021	4.5%
5	CANADIAN TREASURY BILL STRIP MAY 2, 2019	4.1%
6	CANADA HOUSING TRUST NO. 1 2.4% DECEMBER 15, 2022	4.0%
7	CANADA HOUSING TRUST NO. 1 2.55% DECEMBER 15, 2023	3.6%
8	BANK OF MONTREAL 1.61% OCTOBER 28, 2021	3.5%
9	PROVINCE OF ONTARIO CANADA 3.15% JUNE 2, 2022	3.4%
10	CANADIAN GOVERNMENT BOND 2.25% FEBRUARY 1, 2021	3.3%

<b>Total Percentage of Top 10 Investments</b>	<b>43.5%</b>
<b>Total Number of Investments</b>	<b>84</b>

#### Investment Mix (March 31, 2019)



### How risky is it?

The value of the ETF can go down as well as up. You could lose money.

One way to gauge risk is to look at how much an ETF's returns change over time. This is called "volatility".

In general, ETFs with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. ETFs with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

### Risk rating

RBC GAM has rated the volatility of this ETF as **low**.

This rating is based on how much the ETF's returns have changed from year to year. It doesn't tell you how volatile the ETF will be in the future. The rating can change over time. An ETF with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the ETF's returns, see the section entitled "Risk factors" in the ETF's prospectus.

### No guarantees

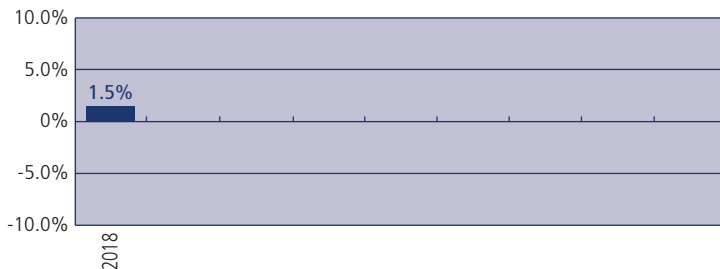
Like most exchange-traded funds, this ETF doesn't have any guarantees. You may not get back the amount of money you invest.

## How has the ETF performed?

This section tells you how the units of the ETF have performed over the past year. Returns<sup>1</sup> are after expenses have been deducted. These expenses reduce the ETF's returns.

### Year-by-year returns

This chart shows how units of the ETF performed in the past year. The ETF did not drop in value in the past year. The range of returns and change from year to year can help you assess how risky the ETF has been in the past. It does not tell you how the ETF will perform in the future.



### Best and worst 3-month returns

This table shows the best and worst returns for units of the ETF in a 3-month period over the past year. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ending	If you invested \$1,000 at the beginning of the period
Best return	2.0%	Jan. 31, 2019	Your investment would rise to \$1,020
Worst return	-0.1%	Sep. 30, 2018	Your investment would drop to \$999

### Average return

The value of a hypothetical \$1,000 investment in units of the ETF since the time of the ETF's inception is \$1,031 which represents an annual compounded rate of return of 2.1% as of March 31, 2019.

<sup>1</sup> Returns are calculated using the ETF's net asset value (NAV).

## Trading ETFs

ETFs hold a basket of investments, like mutual funds, but trade on exchanges like stocks. Here are a few things to keep in mind when trading ETFs:

### Pricing

ETFs have two sets of prices: market price and net asset value (NAV).

#### Market price

- ETFs are bought and sold on exchanges at the market price. The market price can change throughout the trading day. Factors like supply, demand, and changes in the value of an ETF's investments can affect the market price.
- You can get price quotes any time during the trading day. Quotes have two parts: **bid** and **ask**.
- The bid is the highest price a buyer is willing to pay if you want to sell your ETF units. The ask is the lowest price a seller is willing to accept if you want to buy ETF units. The difference between the two is called the "**bid-ask spread**".
- In general, a smaller bid-ask spread means the ETF is more liquid. That means you are more likely to get the price you expect.

#### Net asset value (NAV)

- Like mutual funds, ETFs have a NAV. It is calculated after the close of each trading day and reflects the value of an ETF's investments at that point in time.
- NAV is used to calculate financial information for reporting purposes – like the returns shown in this document.

### Orders

There are two main options for placing trades: market orders and limit orders. A market order lets you buy or sell units at the current market price. A limit order lets you set the price at which you are willing to buy or sell units.

### Timing

In general, market prices of ETFs can be more volatile around the start and end of the trading day. Consider using a limit order or placing a trade at another time during the trading day.

## Who is this ETF for?

Investors who:

- are looking for regular income,
- want to invest in Canadian corporate and government bonds,
- can accept fluctuations in the value of their investment.

## A word about tax

In general, you'll have to pay income tax on any money you make on an ETF. How much you pay depends on the tax laws where you live and whether or not you hold the ETF in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your ETF in a non-registered account, distributions from the ETF are included in your taxable income, whether you get them in cash or have them reinvested.

## How much does it cost?

This section shows the fees and expenses you could pay to buy, own and sell units of the ETF. Fees and expenses – including any trailing commissions – can vary among ETFs.

Higher commissions can influence representatives to recommend one investment over another. Ask about other ETFs and investments that may be suitable for you at a lower cost.

### 1. Brokerage commissions

You may have to pay a commission every time you buy and sell units of the ETF. Commissions may vary by brokerage firm. Some brokerage firms may offer commission-free ETFs or require a minimum purchase amount.

### 2. ETF expenses

You don't pay these expenses directly. They affect you because they reduce the ETF's returns.

As of December 31, 2018, the ETF's expenses were 0.39% of its value. This equals \$3.90 for every \$1,000 invested.

**Annual rate (as a % of the ETF's value)**

#### Management expense ratio (MER)

This is the total of the ETF's total annual management fee and operating expenses.

0.39%

#### Trading expense ratio (TER)

These are the ETF's trading costs.

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#### ETF expenses

0.39%

### 3. Trailing commission

The trailing commission is an ongoing commission. It is paid for as long as you own the ETF. It is for the services and advice that your representative and their firm provide to you.

This ETF doesn't have a trailing commission.

### 4. Other fees

Fee	What you pay
Exchange and Redemption fee	Upon an exchange or redemption of units of the ETF, RBC GAM may charge to unitholders, at its discretion, an exchange or redemption fee of up to 0.05% of the exchange or redemption proceeds to offset certain transaction costs associated with the exchange or redemption.

## What if I change my mind?

Under securities law in some provinces and territories, you have the right to cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if this document, the ETF's prospectus or the ETF's financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

## For more information

Contact RBC GAM or your representative for a copy of the ETF's prospectus and other disclosure documents. These documents and the ETF Facts make up the ETF's legal documents.

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