RBC Global Asset Management

PH&N Funds

SIMPLIFIED PROSPECTUS

June 26, 2023

Managed by Phillips, Hager & North Investment Management®*

Offering Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series I and Series O units of the following Phillips, Hager & North investment funds:

Money Market Funds
Phillips, Hager & North Canadian Money Market Fund [2]
Phillips, Hager & North $U.S. Money Market Fund [2]

Fixed-Income Funds
Phillips, Hager & North Short Term Bond & Mortgage Fund [2]
Phillips, Hager & North Bond Fund [2]
Phillips, Hager & North Total Return Bond Fund [2]
Phillips, Hager & North Inflation-Linked Bond Fund [2]
Phillips, Hager & North High Yield Bond Fund [2]
Phillips, Hager & North Long Inflation-linked Bond Fund [5]

Balanced Funds
Phillips, Hager & North Monthly Income Fund [3]
Phillips, Hager & North Balanced Fund [2]

Canadian Equity Funds
Phillips, Hager & North Dividend Income Fund [2]
Phillips, Hager & North Canadian Equity Fund [2]
Phillips, Hager & North Canadian Equity Value Fund [4]
Phillips, Hager & North Conservative Equity Income Fund [7]
Phillips, Hager & North Canadian Equity Underlying Fund [5]
Phillips, Hager & North Canadian Equity Underlying Fund II [6]
Phillips, Hager & North Canadian Growth Fund [2]
Phillips, Hager & North Canadian Income Fund [2]
Phillips, Hager & North Vintage Fund [2]
Phillips, Hager & North Small Float Fund [2]

U.S. Equity Funds
Phillips, Hager & North U.S. Dividend Income Fund [2]
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund [2]
Phillips, Hager & North U.S. Equity Fund [2]
Phillips, Hager & North Currency-Hedged U.S. Equity Fund [2]
Phillips, Hager & North U.S. Growth Fund [2]

International Equity Funds
Phillips, Hager & North Overseas Equity Fund [8]
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Global Equity Funds
Phillips, Hager & North Global Equity Fund [2]

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Phillips, Hager & North LifeTime 2015 Fund [1]
Phillips, Hager & North LifeTime 2020 Fund [1]
Phillips, Hager & North LifeTime 2025 Fund [1]
Phillips, Hager & North LifeTime 2030 Fund [1]
Phillips, Hager & North LifeTime 2035 Fund [1]
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Phillips, Hager & North LifeTime 2045 Fund [1]
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[1] Offering Series D, Series F and Series O units only.
[2] Offering Series A, Series D, Series F and Series O units only.
[3] Offering Series A, Series H, Series D, Series F, Series I and Series O units only.
[4] Offering Series A, Series T5, Series D, Series F, Series FT5 and Series O units only.
[5] Offering Series O units only.
[6] Offering Series F and Series O units only.
[7] Offering Series A, Series F and Series O units only.
[8] Offering Series A, Series AZ, Series D, Series DZ, Series F, Series FZ and Series O units only.

* 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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Introduction

This document (the "Simplified Prospectus") contains selected important information to help you make an informed investment decision and understand your rights as an investor. It is divided into two parts. The first part, from pages 3 to 44, contains general information applicable to all of the Funds. The second part, from pages 45 to 158, contains specific information about each of the Funds described in this document.

Additional information about each Fund is available in the most recently filed Fund Facts document, the most recently filed annual financial statements of the Funds, any interim financial report of the Funds filed after those annual financial statements, the most recently filed annual management report of fund performance, and any interim management report of fund performance filed after that annual management report of fund performance. These documents are incorporated by reference into this Simplified Prospectus, which means that they are legally part of this document just as if they were printed as part of it. You can get a copy of these documents at no cost by:

› calling us toll-free: for the Pension Trusts (as defined below) at 1-855-408-6111, and for all other Funds at 1-800-661-6141;

› faxing us toll-free at 1-800-666-9899; or

› contacting another dealer who sells our Funds.

These documents are available:

› on the Funds' designated website at *www.rbcgam.com/regulatorydocuments*; or

› by contacting us at *rbcgam@rbc.com*.

These documents and other information about the Funds are available at *www.sedar.com*.

In this Simplified Prospectus, "you" and "your" mean the investor; "RBC GAM" means RBC Global Asset Management Inc.; "PH&N," "we," "us," "our" and "Phillips, Hager & North" mean Phillips, Hager & North Investment Management, a division of RBC GAM; the "Fund" or the "Funds" refers to one or more of the mutual funds offered under this Simplified Prospectus; "Pension Trusts" means the Conservative Pension Trust, the Balanced Pension Trust, the Growth Pension Trust, the Canadian Equity Pension Trust and the Canadian Equity Plus Pension Trust; "PH&N LifeTime Funds®," "Phillips, Hager & North LifeTime Funds™" and "LifeTime Funds®" mean the LifeTime 2015 Fund, the LifeTime 2020 Fund, the LifeTime 2025 Fund, the LifeTime 2030 Fund, the LifeTime 2035 Fund, the LifeTime 2040 Fund, the LifeTime 2045 Fund, the LifeTime 2050 Fund, the LifeTime 2055 Fund and the LifeTime 2060 Fund; and "Underlying Funds" means the mutual funds held as part of a Fund's portfolio.

Responsibility for mutual fund administration

Manager

RBC Global Asset Management Inc. is the manager of the Funds. Phillips, Hager & North Investment Management is a division of RBC GAM principally responsible for carrying out RBC GAM's responsibilities as manager of the Funds. Phillips, Hager & North has its main operating office in Vancouver, British Columbia.

RBC GAM is an indirect wholly-owned subsidiary of Royal Bank of Canada ("Royal Bank"). As manager, RBC GAM manages the overall business and operations of the Funds. The Funds may invest in units of other investment funds managed by RBC GAM or its affiliates or associates.

We offer investment counselling services to company pension and multi-employer pension plans, foundations, endowments, corporations, private clients and our own investment funds. We also provide office premises and certain clerical, accounting and operational services. As an added service, our portfolio managers provide advice on discretionary mutual fund investments.

The amended and restated master trust agreement dated as of May 15, 2023, as may be further amended and/or restated from time to time (the "Trust Agreement") establishing the Funds does not contain any provisions for terminating us as manager of the Funds. However, RBC GAM may assign its management responsibilities to one of its affiliates without the approval of investors. If RBC GAM wants to assign its management responsibilities to a company or person who is not an affiliate, RBC GAM must first receive approval from investors.

How to reach us

You can reach us at no cost by:

- calling us: for the Pension Trusts at 1-855-408-6111 and for all other Funds at 1-800-661-6141; or
- faxing us toll-free at 1-800-666-9899.

To reach us by mail, please write to the head office of the Funds:

RBC Global Asset Management Inc.
155 Wellington St. W.
Suite 2200
Toronto, Ontario M5V 3K7

or to the main operating office of Phillips, Hager & North Investment Management:

RBC Global Asset Management Inc.
Phillips, Hager & North Investment Management
Main Operating Office
20th Floor, 200 Burrard Street
Vancouver, British Columbia V6C 3N5

You can also reach us on the Internet at *www.rbcgam.com* or by email at *rbcgam@rbc.com*.

History of the Manager

Effective May 1, 2008, Royal Bank acquired a 100% interest in Phillips, Hager & North Investment Management Ltd., the former manager of the Funds (as defined below).

Effective November 1, 2010, RBC Asset Management Inc. and its affiliate, Phillips, Hager & North Investment Management Ltd., amalgamated to form one corporate entity, RBC GAM, an indirect wholly-owned subsidiary of Royal Bank. Effective November 1, 2013, RBC GAM amalgamated with its wholly-owned subsidiary, BonaVista Asset Management Ltd., with the resulting entity keeping the RBC GAM name. RBC GAM is the manager of the Funds. Phillips, Hager & North Investment Management is a division of RBC GAM principally responsible for carrying out RBC GAM's responsibilities as manager and principal portfolio manager of the Funds. Phillips, Hager & North has its main operating office in Vancouver, British Columbia.

RBC GAM directors and executive officers

A list of RBC GAM's directors and executive officers is set out below. We have included their name, the city in which they live and the current position or office they hold with us.

NAME AND MUNICIPALITY OF RESIDENCE	POSITION AND OFFICE HELD WITH RBC GAM
Sandra Aversa Toronto, Ontario	Director
Wayne Bossert Mississauga, Ontario	Director
Daniel E. Chornous Toronto, Ontario	Director and Chief Investment Officer
Douglas Coulter Toronto, Ontario	Director and President, Retail

NAME AND MUNICIPALITY OF RESIDENCE	POSITION AND OFFICE HELD WITH RBC GAM
Steve Gabor Vancouver, British Columbia	Chief Financial Officer, RBC GAM
Matthew D. Graham Toronto, Ontario	Chief Operating Officer
Douglas A. Guzman Toronto, Ontario	Director and Chairman
Heidi Johnston Squamish, British Columbia	Chief Financial Officer, RBC GAM Funds
Lawrence A.W. Neilsen Vancouver, British Columbia	Chief Compliance Officer
Chandra Stempien Toronto, Ontario	Director
Damon G. Williams Toronto, Ontario	Director, Chief Executive Officer and Ultimate Designated Person

Investment in other funds managed by the manager

We will not vote units of other investment funds managed by RBC GAM or its affiliates or associates held by the Funds. However, we may pass on the right to vote units of other investment funds managed by RBC GAM or its affiliates or associates to unitholders of the Funds that hold such units.

Portfolio advisor

RBC Global Asset Management Inc. is the principal portfolio manager of the Funds. Phillips, Hager & North Investment Management is a division of RBC GAM principally responsible for carrying out RBC GAM's responsibilities as principal portfolio manager of the Funds.

As principal portfolio manager, we are responsible for managing the investment portfolios of the Funds directly or through sub-advisors. The fees for sub-advisors related to us are paid by us and not by the Funds. We are responsible for the advice provided to the Funds even if it is provided through a sub-advisor. We have retained RBC Global Asset Management (UK) Limited ("RBC GAM UK") (an affiliate of RBC GAM) to act as a sub-advisor with respect to the Overseas Equity Fund and the Global Equity Fund. Except in certain circumstances, our agreement with RBC GAM UK may be terminated only by 61 days' prior written notice to the other party. We have retained RBC Global Asset Management (U.S.) Inc. ("RBC GAM U.S."), (an affiliate of RBC GAM) to act as a sub-advisor to the U.S. Multi-Style All-Cap Equity Fund. Except in certain circumstances, our agreement with RBC GAM U.S. may be terminated only by 61 days' prior written notice to the other party. You may have difficulty in enforcing any legal rights against RBC GAM UK or RBC GAM U.S. because RBC GAM UK and RBC GAM U.S. are resident outside Canada and all or a substantial portion of their respective assets are situated outside Canada.

The fees for RBC GAM UK and RBC GAM U.S. are paid by us and not the Funds.

Investment decisions

The investment decisions for all Funds, other than for the Overseas Equity Fund and the Global Equity Fund, are made by a team of portfolio managers. Some portfolio managers focus on certain Funds more than others; however, all of the portfolio managers share information, expertise and decision-making authority with respect to all the Funds.

The following is a list of the individuals who make investment decisions for the Funds, their titles, and their role in the investment decision-making process.

NAME AND TITLE	ROLE IN INVESTMENT DECISION-MAKING PROCESS
Daniel E. Chornous Chief Investment Officer	Responsible for the overall direction of investment policy and fund management of all funds. Also responsible for global asset-mix recommendations and global fixed income and equity portfolio construction.
Stu Kedwell Senior Vice President, Senior Portfolio Manager and Co-Head, North American Equities	Co-Head of the North American Equities Team and responsible for strategy and research of equity portfolios.
Doug Raymond Senior Vice President, Senior Portfolio Manager and Co-Head, North American Equities	Co-Head of the North American Equities Team and responsible for strategy and research of equity portfolios.
Scott A. Lysakowski Vice President, Senior Portfolio Manager, and Head of Canadian Equities (Vancouver)	Head of the Canadian Equity Team (Vancouver). Primarily responsible for overseeing equity research and portfolio management of the firm's core Canadian equity strategies.
Martin Paleczny Vice President, Senior Portfolio Manager, Asset Allocation and Derivatives	Responsible for technical analysis and implementation of derivatives and hedging strategies for equity, fixed-income, currency and commodity related funds.
Ryan Grant Senior Portfolio Manager, Canadian Equities	Member of the Canadian Equity Team (Vancouver) and responsible for fundamental research and analysis in equity portfolios.
Marcello Montanari Vice President, Senior Portfolio Manager, North American Equities	Member of the North American Equities Team and responsible for fundamental research and analysis in equity portfolios.
Rob Cavallo Portfolio Manager, North American Equities	Member of the North American Equities Team and responsible for fundamental research and analysis in equity portfolios.
Brad Willock Vice President, Senior Portfolio Manager, North American Equities	Member of the North American Equities Team and responsible for fundamental research and analysis in core and income-oriented U.S. equity strategies.
Hanif Mamdani Vice President and Head, Alternative Investments	Responsible for the portfolio strategy and trading execution of investment grade and high-yield corporate bonds.

NAME AND TITLE	ROLE IN INVESTMENT DECISION-MAKING PROCESS
Kristian R. Sawkins Vice President, Senior Portfolio Manager, Fixed-Income	Co-Head of the fixed income team and responsible for strategy, fundamental research and analysis in fixed income portfolios.
Bryan Mascoe Vice President, Senior Portfolio Manager, Fixed-Income	Co-Head of the fixed income team and responsible for strategy, fundamental research and analysis in fixed income portfolios.
Matthew Dubras Portfolio Manager, Fixed-Income	Member of the fixed income team and responsible for fundamental research and analysis in fixed income portfolios.
Andrew MacNeil Vice President, Senior Portfolio Manager, Fixed-Income	Member of the fixed income team and responsible for fundamental research and analysis in fixed income portfolios.
Sarah Riopelle Vice President, Senior Portfolio Manager, Investment Solutions	Responsible for the investment strategy and tactical asset allocation for balanced products and portfolio solutions.
Milos Vukovic Vice President, Investment Policy	Responsible for developing and monitoring investment mandates and implementing tactical asset allocation strategies.

The investment decisions of the individuals listed in the table above made on behalf of Phillips, Hager & North are not subject to the oversight, approval or ratification of any committee. The investment decision-making process is supported by research, analysis and internal investment committees. Investment decisions are overseen by the Chief Investment Officer.

Sub-advisors

RBC GAM UK

The investment decisions for the Overseas Equity Fund and the Global Equity Fund are made by our sub-advisor, RBC GAM UK, which is located in London, UK. The following is a list of the individuals who make investment decisions for the Overseas Equity Fund and the Global Equity Fund, their titles, and their role in the investment decision-making process:

NAME AND TITLE	ROLE IN INVESTMENT DECISION-MAKING PROCESS
Habib Subjally Senior Portfolio Manager and Head, Global Equities	Head of the Global Equities Team and responsible for strategy and research of equity portfolios.
Jeremy Richardson Senior Portfolio Manager, Global Equities	Responsible for fundamental research and analysis in equity portfolios.
Peregrine (“Perry”) Winfield Senior Portfolio Manager, Global Equities	Responsible for fundamental research and analysis in equity portfolios.

The investment decisions of these individuals are not subject to the oversight, approval or ratification of any committee. The investment decision-making process is supported by research and analysis by the investment team within RBC GAM UK.

The investment sub-advisor agreement between RBC GAM and RBC GAM UK dated as of October 1, 2005, as amended, provides that it may be terminated on 61 days' prior written notice given by RBC GAM or by RBC GAM UK. RBC GAM also has the right to terminate the agreement immediately if RBC GAM UK commits certain acts or fails to perform its duties under the agreement. The agreement automatically terminates on the termination of RBC GAM as principal advisor in connection with the Fund.

RBC GAM U.S.

The investment decisions for the U.S. Multi-Style All-Cap Equity Fund are partially made by our sub-advisor RBC GAM U.S., which is located in Minneapolis, Minnesota. The following is a list of the individuals who make investment decisions for the U.S. Multi-Style All-Cap Equity Fund, their titles, and their role in the investment decision-making process:

NAME AND TITLE	STRATEGY	ROLE IN INVESTMENT DECISION-MAKING PROCESS
Josef Turnbull Portfolio Manager, North American Equities	U.S. Mid-Cap Value Strategy	Member of the North American Equities Team and responsible for fundamental research and analysis in equity portfolios.
Angelica Murison Portfolio Manager, North American Equities	U.S. Mid-Cap Value Strategy	Member of the North American Equities Team and responsible for fundamental research and analysis in equity portfolios.
Lance F. James Managing Director, Senior Portfolio Manager	U.S. Small Cap Core Strategy U.S. Small Cap Value Strategy	Responsible for strategy, research and analysis of equity portfolios.
Kenneth A. Tyszko Managing Director, Senior Portfolio Manager	U.S. Mid Cap Growth Strategy	Responsible for strategy, research and analysis of equity portfolios.

The investment decisions of these individuals are not subject to the oversight, approval or ratification of any committee. The investment decision-making process is supported by the investment team within RBC GAM U.S.

The investment sub-advisor agreement between RBC GAM and RBC GAM U.S. dated as of September 30, 2015 provides that it be terminated on 61 days' prior written notice given by RBC GAM or by RBC GAM U.S.

Brokerage arrangements

We or any sub-advisor of a Fund make decisions as to the purchase and sale of fund securities, including units of underlying funds and other assets of the Funds such as cash and term deposits, as well as decisions regarding the execution of portfolio transactions of a Fund, including the selection of market, broker and the negotiation of commissions.

In certain circumstances, we receive goods or services from dealers or brokers in exchange for directing brokerage transactions to such dealers or brokers. The types of goods and services for which we may direct brokerage commissions are research goods and services ("research goods and services") and order execution goods and services ("order execution goods and services").

We receive research goods and services which include: (i) advice as to the value of securities and the advisability of effecting transactions in securities; and (ii) analyses and reports concerning securities, issuers, industries, portfolio strategy or economic or political factors and trends that may have an impact on the value of securities. Such goods and services may be provided by the executing dealer directly (known as proprietary research) or by a party other than the executing dealer (known as third-party research). The research goods and services that we are provided in exchange for brokerage commissions include advice, analyses and reports that focus on, among other matters, specific stocks, sectors and economies.

We also receive order execution goods and services, such as data analysis, software applications and data feeds. These goods and services may be provided by the executing dealer directly or by a party other than the executing dealer.

The users of these research goods and services and order execution goods and services are our portfolio managers, analysts and traders.

In certain instances, we may receive goods and services containing some elements that qualify as research goods and services and/or order execution goods and services and other elements that do not qualify as either of such permitted goods and services. These types of goods and services are considered to be mixed-use ("mixed-use goods and services"). If we obtain mixed-use goods and services, we only use brokerage commissions to pay for the portion that is used in our investment or trading decisions or in effecting securities transactions, each on behalf of the Funds or client accounts. The types of mixed-use goods and services that we receive may include software applications and data analysis.

We only route trade orders to a dealer or broker for execution if we have reviewed and approved of that dealer or broker for use. We approve a dealer or broker for use if we are of the view that the dealer or broker is able to provide best execution, which includes a number of considerations such as price, volume, speed and certainty of execution, and total transaction cost.

An additional but secondary consideration when we review and approve a dealer or broker is the dealer's or broker's ability to provide research goods and services and order execution goods and services that add value to our investment decision-making and trade order execution processes to generate investment returns for clients. Other factors that we consider when reviewing and approving a dealer or broker include the dealer's or broker's regulatory status, its creditworthiness and its ability to efficiently process trade orders and settle trades.

We use the same criteria in selecting all dealers and brokers, regardless of whether the dealer or broker is our affiliate. We currently have in place brokerage arrangements with RBC Dominion Securities Inc. ("RBC DS"), RBC Europe Limited ("RBC Europe") and RBC Capital Markets LLC ("RBC CM"), affiliates of RBC GAM. RBC DS, RBC Europe and RBC CM may provide research goods and services, order execution goods and services and mixed-use goods and services in exchange for effecting brokerage transactions. Since June 27, 2022, RBC DS, RBC Europe and RBC CM have each provided research goods and services and order execution goods and services in exchange for effecting brokerage transactions.

We conduct extensive trade cost analysis to ensure that the Funds and clients receive a reasonable benefit considering the amount of brokerage commissions paid. Specifically, we decide which dealers or brokers are allocated brokerage business based on the competitiveness of the commission costs, their ability to provide best execution of trades and the range of services and quality of research received.

We may use research goods and services and order execution goods and services to benefit the Funds and clients other than those whose trades generated the brokerage commission. However, we have policies and procedures in place to make a good faith determination that over a reasonable period of time, all clients, including the Funds, receive fair and reasonable benefit in return for the commission generated.

For a list of any other dealer, broker or third party which provides research goods and services and/or order execution goods and services, call us, at no cost, for the Pension Trusts, at 1-855-408-6111 and, for all other Funds, 1-800-661-6141, or send an email to *rbcgam@rbc.com*.

Sub-advisors

RBC GAM UK pays for all research goods and services and order execution goods and services directly.

RBC GAM U.S. directs brokerage transactions involving client brokerage commissions of the Funds in exchange for research goods and services and/or order execution goods and services. We have been advised that RBC GAM U.S. has adopted policies and procedures with respect to directing brokerage commissions in exchange for research goods and services and order execution goods and services that are consistent with the requirements of Section 28(e) of the *Securities Exchange Act of 1934* (U.S.). Pursuant to this provision, a sub-advisor is permitted to pay a higher commission to a broker or dealer that provides research goods and services and/or order execution goods and services (relative to the commission paid to another broker or dealer for executing a transaction), provided that such sub-advisor makes a good faith determination that the commission is reasonable in relation to the value of the allowable goods and services in terms of the particular transaction or the sub-advisor's overall responsibility with respect to its clients over whom it exercises investment discretion. RBC GAM U.S. periodically assesses the reasonableness of brokerage commissions directed to brokers or dealers, taking into account the total amount of research goods and services and/or order execution goods and services provided by each broker or dealer from whom it receives such services. The research goods and services and order execution goods and services received by RBC GAM U.S. in exchange for brokerage commissions may be provided by the executing dealer directly or by a party other than the executing dealer.

Principal distributors

Phillips, Hager & North Investment Funds Ltd., a wholly-owned subsidiary of RBC GAM, acts as the principal distributor of Series D and Series DZ units of the Funds. As principal distributor, Phillips, Hager & North Investment Funds Ltd. is responsible for marketing and distributing units of the applicable Funds where permitted under applicable securities laws. The agreement whereby Phillips, Hager & North Investment Funds Ltd. agrees to act as principal distributor may be terminated by either party giving 60 days' notice in advance. The main office of Phillips, Hager & North Investment Funds Ltd. is 20th Floor, 200 Burrard Street, Vancouver, British Columbia V6C 3N5.

RBC GAM acts as the principal distributor of all series of the Funds other than Series D and Series DZ. As principal distributor, RBC GAM is responsible for marketing and distributing units of the Funds (other than Series D and Series DZ) where permitted under applicable securities laws. The head office of RBC GAM is 155 Wellington Street West, Suite 2200, Toronto, Ontario M5V 3K7.

Trustee

The trustee of the Funds is RBC Investor Services Trust ("RBC IS"). RBC IS is a wholly-owned subsidiary of Royal Bank and an affiliate of RBC GAM. Its principal office is located in Toronto, Ontario. As trustee, RBC IS holds title to securities owned by each Fund on behalf of its unitholders with responsibility to act in the best interest of unitholders. In respect of each Fund, the trustee has entered into the Trust Agreement, which may be amended as described under the heading *Material amendments to trust agreements*. Each Fund is charged an annual fee by the trustee for its services as trustee and custodian based on the net asset value of the Fund. We negotiate this fee with RBC IS on behalf of the Funds. We pay these fees for the Funds as described in this Simplified Prospectus.

The trustee may resign by giving 90 days' notice to the investors and the manager. The manager may remove the trustee by giving 90 days' notice to the trustee, provided a successor trustee is appointed or the Fund is terminated.

Custodian

The custodian of the Funds is RBC IS. Its principal office is located in Toronto, Ontario.

RBC IS, as custodian, is responsible for the safekeeping of the assets of the Funds. The custodian may contract with sub-custodians to hold the assets of the Funds.

Computershare Trust Company of Canada acts as sub-custodian of the Short Term Bond & Mortgage Fund, the Bond Fund and the Total Return Bond Fund pursuant to a sub-custodial agreement among RBC GAM, RBC IS and Computershare Trust Company of Canada dated May 5, 2021. Computershare Trust Company of Canada is a trust company existing under the laws of Canada with its principal office in Toronto, Ontario. RBC GAM pays Computershare Trust Company of Canada fees for acting as sub-custodian. RBC IS, as custodian, may terminate the sub-custodial agreement at any time there is no Deposited Property (as defined in the sub-custodial agreement) upon 30 days' prior written notice to RBC GAM and Computershare Trust Company of Canada.

Computershare Trust Company of Canada is not related to RBC GAM.

Auditor

The auditor of the Funds is PricewaterhouseCoopers LLP, Chartered Professional Accountants, located in Toronto, Ontario.

Registrars

RBC GAM, RBC IS and Royal Bank act as registrars of the Funds and maintain the register of investors at RBC GAM's Vancouver, British Columbia office, at RBC IS' Toronto, Ontario office and at Royal Bank's Montréal, Québec office. RBC GAM is an indirect wholly-owned subsidiary of Royal Bank and RBC IS is an affiliate of RBC GAM.

Securities lending agent

RBC IS of Toronto, Ontario is the securities lending agent of the Funds that engages in securities lending pursuant to a securities lending agency agreement between RBC GAM as manager of the Funds and RBC IS dated July 27, 2010, as amended (the "Securities Lending Agency Agreement"). RBC IS is a wholly-owned subsidiary of Royal Bank and an affiliate of RBC GAM. In accordance with the Securities Lending Agency Agreement, RBC IS will value the loaned securities and collateral daily to ensure that the collateral is worth at least 102% of the value of the securities. Pursuant to the terms of the Securities Lending Agency Agreement, RBC IS will indemnify and hold harmless the Funds from any losses which may result from a breach of RBC IS' standard of care or from its negligence, fraud or wilful misconduct. Either party may terminate the Securities Lending Agency Agreement by giving the other party five business days' written notice.

Independent review committee and fund governance

Independent review committee

The Independent Review Committee (the "IRC") of the Funds acts as the independent review committee that the Funds and other funds managed by RBC GAM are required to have pursuant to National Instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107"). The IRC reviews and provides input on conflicts of interest matters in respect of RBC GAM and the Funds. It also provides independent oversight as required under the terms of certain exemptive relief for certain transactions by certain non-prospectus funds managed by RBC GAM.

In its role as the independent review committee of the Funds, the IRC will, no less frequently than annually, review and assess the adequacy and effectiveness of:

- RBC GAM's policies and procedures relating to conflict of interest matters in respect of the Funds;
- any standing instructions it has provided to RBC GAM pertaining to conflict of interest matters in respect of a Fund;
- RBC GAM's and the Funds' compliance with any conditions imposed by the IRC in a recommendation or approval; and
- any subcommittee to which the IRC has delegated any of its functions.

In addition, the IRC will, no less frequently than annually, review and assess the independence of its members, the compensation of its members, its effectiveness, and the contribution and effectiveness of its members. The IRC will provide us with a report of the results of such assessment.

The IRC is currently composed of Suromitra Sanatani (Chair), Brenda Eaton (Vice Chair), Ruth M. Corbin, Enrique Cuyegkeng and Joanne Vézina. Suromitra Sanatani was appointed Chair of the IRC effective January 1, 2023. The previous chair of the IRC, Charles F. Macfarlane, stepped down as a member of the IRC on December 31, 2022; he had served as a member of the IRC since 2006. Effective September 20, 2022, Brenda Eaton was appointed as Vice Chair of the IRC, following the death of Paul K. Bates, who had served as a dedicated member of the IRC since December 2014. Joanne Vézina was appointed as a member of the IRC on February 1, 2023, and Enrique Cuyegkeng was appointed as a member of the IRC on March 1, 2023. Each IRC member is independent from RBC GAM, the Funds and entities related to RBC GAM.

The IRC prepares, at least annually, a report of its activities for securityholders and makes such reports available on the Funds' designated website at *www.rbcgam.com/regulatorydocuments*, or at the securityholder's request and at no cost, by: (i) sending an email to *rbcgam@rbc.com*; (ii) calling us toll-free at 1-855-408-6111 for information on the Pension Trusts; or (iii) calling us toll-free at 1-800-661-6141 for all other Funds.

This report and other information about the IRC are also available at *www.sedar.com*.

Fund governance

As manager of, and portfolio manager to, the Funds, RBC GAM is responsible for the day-to-day management, administration and operation of the Funds, and provides investment advice and portfolio management services to the Funds.

RBC GAM has established appropriate policies, procedures, practices and guidelines to ensure the proper management of the Funds, including, as required by NI 81-107, policies and procedures relating to conflicts of interest. The systems used by RBC GAM in relation to the Funds monitor and manage the business and sales practices, risk and internal conflicts of interest relating to the Funds, while ensuring compliance with applicable regulatory, compliance and corporate requirements. RBC GAM personnel responsible for compliance, together with management of RBC GAM, ensure that these policies, procedures, practices and guidelines are communicated from time to time to all relevant persons and are updated as necessary (including the systems referred to above) to reflect changing circumstances. RBC GAM also monitors the application of all such policies, procedures, practices and guidelines to ensure their continuing effectiveness.

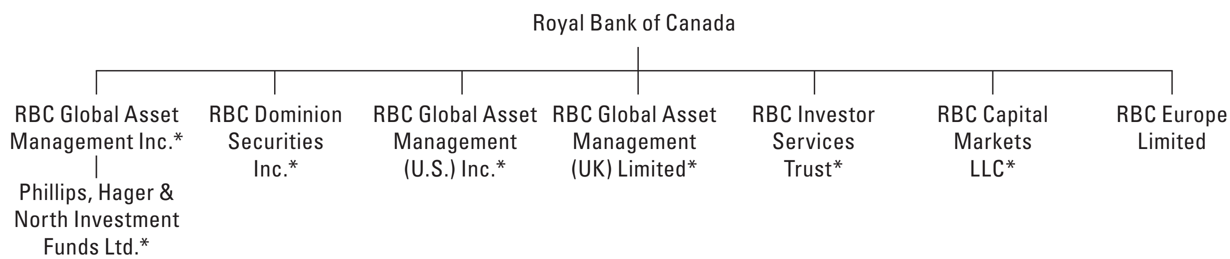
Compliance with investment practices and investment restrictions mandated by securities legislation is monitored by RBC GAM on a regular basis. The investment practices and restrictions for the Funds and guidelines for derivative use, repurchase transactions and reverse repurchase transactions are outlined beginning on page 45.

RBC GAM has adopted a personal trading policy for employees (the "Policy") which is designed to prevent potential, perceived or actual conflicts between the interests of RBC GAM and the interests of clients and the Funds. Under the Policy, certain RBC GAM personnel are required to pre-clear certain personal securities transactions in order to ensure that those trades do not conflict with the best interests of the Funds and have not been offered to the person because of the position they hold in RBC GAM.

RBC GAM has policies and procedures in place pertaining to the measurement, monitoring, mitigation and reporting of liquidity risks within the Funds.

Affiliated entities

The following companies that provide services to the Funds are affiliated with RBC GAM:



* Indirect wholly-owned subsidiary.

Phillips, Hager & North Investment Funds Ltd. acts as the principal distributor of Series D units of the Funds. RBC GAM UK is our sub-advisor for the Overseas Equity Fund and the Global Equity Fund. RBC GAM U.S. is our sub-advisor to the U.S. Multi-Style All-Cap Equity Fund. Any fees received from the Funds by these entities will be disclosed in the audited financial statements of the Funds. RBC DS, RBC Europe and RBC CM provide brokerage services to the Funds. The fees paid to the above noted affiliated entities are disclosed in the audited financial statements of the Funds.

Funds which invest in mortgages may invest in mortgages sourced and originated by Royal Bank. All decisions to invest in such mortgages are made based on the judgment of RBC GAM uninfluenced by considerations other than the best interests of the applicable Fund and are subject to contractual terms and conditions consistent with standard market practice and those applicable to mortgages originated by unaffiliated third parties. Funds which invest in mortgages may also purchase or sell mortgages from or to Royal Bank or another affiliate of RBC GAM. All decisions to purchase or sell such mortgages are made based on the judgment of RBC GAM uninfluenced by considerations other than the best interests of the applicable Fund and are subject to conditions of regulatory relief described under *Exemptions and approvals* on page 35.

Capital Funding Alberta Limited ("CFAL"), an indirect subsidiary of Royal Bank, may provide seed capital in order to establish a Fund. This is intended to be a temporary investment pending purchases by unrelated investors or other funds managed by RBC GAM and is not made for the purpose of earning investment returns. CFAL is not obligated to maintain a minimum investment in a Fund. Where CFAL provides seed capital to a Fund, all or any portion of such investment may be redeemed at any time without notice to unitholders provided that the applicable regulatory requirements regarding seed capital have been met.

Dealer manager disclosure

The Funds are dealer-managed mutual funds and accordingly are subject to the restrictions set out in section 4.1 of National Instrument 81-102 *Investment Funds* ("NI 81-102"). These restrictions and practices and other requirements are designed in part to ensure that the investments of the Funds are diversified and relatively liquid, and to ensure that the Funds are properly administered.

Policies and practices

Policies and practices with respect to derivatives

Derivatives may be used in managing certain Funds. A detailed description of the risks related to the use of derivatives for certain Funds can be found under the heading *Specific risks in respect of the Funds* on page 46.

Written policies and procedures are in place, setting out the objectives for derivatives trading and related risk management. The objectives are:

› to enhance yields, or returns (or both);

› to isolate and manage risk; and

› to execute new strategies to add value.

Derivatives will not be used to create excess leverage, and will only be used as permitted by NI 81-102 and any applicable regulatory relief. They will be used for hedging purposes – to offset or control risk exposures of the Funds. They may also be used for non-hedging purposes. A description of the derivatives used by each Fund can be found in the Simplified Prospectus under the heading *What does the Fund invest in?*

Derivatives may be used to participate in changes to a particular market or group of securities without purchasing the securities directly, or to temporarily reduce participation in a particular market in which an Underlying Fund has already invested. The types of derivatives an Underlying Fund may use include forward contracts, futures contracts, warrants, options or options on futures, swaps and index participation units.

RBC GAM is responsible for managing the risks associated with the use of derivatives. RBC GAM has written guidelines that set out the objectives and goals for derivatives trading, which are established and reviewed periodically by the board of directors of RBC GAM as required. In addition, RBC GAM has written control policies and procedures in place that set out the risk management procedures applicable to derivatives trading. These policies and procedures set out specific procedures for the authorization, documentation, reporting, monitoring and review of derivative strategies ensuring that these functions are performed by individuals independent of those who trade. Limits and controls on derivatives trading are part of RBC GAM's compliance regime. All derivatives transactions are reviewed by a specially trained team that ensures that the derivatives positions of the Funds are within the existing control policies and procedures. As the use of derivatives by the Funds is limited, RBC GAM does not currently conduct simulations to test the portfolio under stress conditions. Derivatives strategies are regularly monitored by RBC GAM management.

A Fund is permitted to enter into derivatives transactions with or through a related party subject to IRC approval and certain other conditions.

Policies and practices with respect to securities lending, repurchase and reverse repurchase transactions

The Funds may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions in accordance with applicable securities legislation. In addition, we have agreed to provide at least six months' notice (or as otherwise required by applicable legislation) to unitholders prior to commencing these transactions unless disclosure had been provided in the Simplified Prospectus that the Fund may participate in such transactions when the Fund first became a reporting issuer. For details about how the Funds may engage in these transactions, please see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45 and *Securities lending, repurchase and reverse repurchase risk* on page 50.

RBC IS or another custodian or sub-custodian of the Funds will act as the agent for the Funds in administering the securities lending, repurchase and reverse repurchase transactions of the Funds in accordance with the Securities Lending Agency Agreement. The risks associated with these transactions will be managed by requiring that the Fund's agent enter into such transactions, including negotiating agreements, with reputable and well-established Canadian and foreign brokers, dealers and institutions ("counterparties"). The agent will maintain internal controls, procedures and records, including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty, and collateral diversification standards. Each valuation day, the agent will determine the market value of both the securities loaned by a Fund under a securities lending transaction or sold by a Fund under a repurchase transaction or purchased by a Fund under a reverse repurchase transaction and the cash and/or collateral held by the Fund for such transactions. If on any business day the market value of the cash or collateral is less than 102% of the market value of the borrowed or sold securities, on the next day the counterparty will be required to provide additional cash or collateral to the Fund to cover the shortfall.

The risk factors associated with securities lending, repurchase and reverse repurchase transactions are disclosed on page 50. RBC GAM is responsible for managing the risks associated with securities lending, repurchase and reverse repurchase transactions. RBC GAM has written guidelines that set out the objectives and goals with respect to securities lending arrangements, repurchase transactions and reverse repurchase transactions which are established and reviewed periodically by the board of directors of RBC GAM as required. RBC GAM has written control policies and procedures in place that set out the risk management practices applicable to securities lending, repurchase and reverse repurchase transactions. As the use of securities lending, repurchase and reverse repurchase transactions by the Funds is limited, RBC GAM does not currently conduct simulations to test the portfolio under stress conditions. Any securities lending arrangements and repurchase and reverse repurchase agreements are monitored regularly by RBC GAM management. Internal auditors of Royal Bank monitor compliance with these policies and procedures periodically.

Proxy voting guidelines

As portfolio manager for each of the Funds, we have responsibility for the investment management of the Funds, including the exercise of voting rights attaching to securities held by the Funds. In the case of sub-advised Funds, although we have delegated the investment management responsibility to the sub-advisor of the Fund, we have retained the obligation to exercise a Fund's voting rights.

Each Fund has proxy voting policies and procedures that apply to securities held by the Funds to which voting rights are attached. We have established proxy voting policies, procedures and guidelines (the "Proxy Voting Guidelines") for securities held by the Funds to which voting rights are attached. The Proxy Voting Guidelines provide that each Fund's voting rights will be exercised in accordance with the best interests of the Fund.

In the case of sub-advised Funds, our sub-advisors have adopted the Proxy Voting Guidelines.

The Proxy Voting Guidelines set out the principles of corporate governance that RBC GAM will follow to determine whether and how to vote on matters for which a Fund receives proxy materials. RBC GAM's Proxy Voting Guidelines are reviewed and updated on an annual basis as corporate governance best practices evolve. The Proxy Voting Guidelines establish guidelines relating to the voting of securities of an issuer for the following categories of matters: board of directors, management and director compensation, takeover bid protection, shareholders' rights, shareholder proposals and management environmental and social proposals. While we will generally vote the Funds' proxies in accordance with the Proxy Voting Guidelines, there may be circumstances where we believe it is in the best interests of a Fund to vote differently than the manner contemplated by the Proxy Voting Guidelines. The ultimate decision as to the manner in which a Fund's proxies will be voted rests with RBC GAM. Any matters not covered by the Proxy Voting Guidelines, including business issues specific to the issuer or issues raised by shareholders of the issuer, will be assessed on a case-by-case basis with a focus on the potential impact of the vote on shareholder value.

We have retained Institutional Shareholder Services Inc. ("ISS") to provide administrative and proxy voting services to the Funds. ISS provides custom voting recommendations based on the Proxy Voting Guidelines for proposals included on issuer proxies. The Proxy Voting Guidelines are applied to issuers in Canada, the United States, the United Kingdom, Ireland, Australia, and New Zealand. In all other markets, we use the local proxy voting guidelines of ISS. We review the voting recommendations made by ISS to determine if they correctly reflect the best interests of the Fund(s), as determined by RBC GAM. We also have a Proxy Voting Policy which includes procedures to ensure that voting rights are exercised in accordance with the best interests of the Funds.

ISS' Global Voting Principles, current voting policies, and additional information on its voting policy formulation and application process are available at *www.issgovernance.com*.

In the event that we face a potential material conflict of interest with respect to proxies, RBC GAM's Proxy Voting Committee will meet to resolve the conflict. In some cases, proxy voting matters may be referred to the IRC for its recommendation. RBC GAM's Corporate Governance & Responsible Investment team is responsible for ensuring that RBC GAM votes all proxies in accordance with the Proxy Voting Guidelines and for identifying any situations that must be addressed by the Proxy Voting Committee. As we have discretionary authority over our Funds' portfolios, we file applicable class action settlement claims on behalf of the Funds. We have retained ISS to file and provide administrative support services for class action claims.

The Proxy Voting Guidelines are available on request, at no cost by contacting us at the telephone number or address on the back cover of this Simplified Prospectus. The Proxy Voting Guidelines are also available from the Fund's designated website at *www.rbcgam.com/regulatorydocuments*.

The proxy voting record of each Fund for the most recent 12-month period ended June 30 of each year will be available, at no cost, to any unitholder of the Fund upon request at any time after August 31 of that year. The proxy voting record for each Fund will also be available from the Fund's designated website at *www.rbcgam.com/regulatorydocuments*.

The Funds may invest in units of other mutual funds ("underlying funds"), managed by RBC GAM or an affiliate. If a unitholder meeting is called for an underlying fund that is managed by us or an affiliate, you will have the voting rights that come with the units of the underlying fund and we will not vote the units of the underlying fund. If a unitholder meeting is called for an underlying fund that is not managed by us or an affiliate, we will exercise our discretion with respect to those voting rights in a manner that is consistent with the Proxy Voting Policy.

Remuneration of directors, officers and trustees

The Funds do not have directors, officers or employees. RBC IS, in its capacity as the trustee of the Funds and other funds managed by RBC GAM, receives $3,000 annually in remuneration for each such fund for which RBC IS acts as trustee. RBC GAM, in its capacity as manager of the Funds, is entitled to receive the management fee set out in this Simplified Prospectus.

For the year ended December 31, 2022, the members of the IRC received the following amounts in annual fees and meeting fees and reimbursements for expenses in connection with performing their duties for the Funds and certain other prospectus-qualified funds managed by RBC GAM: Paul K. Bates – $71,500.00; Ruth M. Corbin – $81,500.00; Brenda Eaton – $87,256.38; Charles F. Macfarlane – $91,874.34; and Suromitra Sanatani –$90,385.42. These fees and expenses were allocated among the funds managed by RBC GAM in a manner that was fair and reasonable. RBC GAM is responsible for annual fees, meeting fees and reimbursement for expenses to members of the IRC. For a description of the role of the IRC, please see *Independent review committee and fund governance* on page 11.

Material contracts

The material contracts, other than those entered into in the normal course of the Funds' business, are described briefly below.

1. Under the terms of the Trust Agreement, RBC GAM acts as manager, portfolio manager and registrar of each Fund, and RBC IS acts as trustee. The Trust Agreement outlines the powers and duties of the parties, as well as the fees and expenses payable by each Fund, including management and trustee fees, administration fees and operating expenses. The management and administration fees payable by the Funds are described under the heading *Fees and expenses* starting on page 27.
2. Under an amended and restated custodian agreement dated as of April 6, 2023 between RBC GAM and RBC IS, RBC IS acts as the principal custodian for all Funds. The agreement may be terminated by either party giving notice 90 days in advance.
3. Under an amended and restated principal distributor agreement dated as of April 1, 2009, and as amended from time to time, Phillips, Hager & North Investment Funds Ltd. acts as the principal distributor of the Series D and Series DZ units of the Funds. This agreement may be terminated by either party giving 60 days' notice in advance.
4. Under an investment sub-advisor agreement between RBC GAM and RBC GAM UK dated as of October 1, 2005 and as amended from time to time, RBC GAM UK makes the investment decisions for the Overseas Equity Fund and the Global Equity Fund. The particulars of this agreement are set out under *Portfolio advisor – Sub-advisors – RBC GAM UK* on page 7.
5. Under an investment sub-advisor agreement between RBC GAM and RBC GAM U.S. dated as of September 30, 2015 and as amended from time to time, RBC GAM U.S. provides investment management services for the U.S. Multi-Style All-Cap Equity Fund. The particulars of this agreement are set out under *Portfolio advisor – Sub-advisors – RBC GAM U.S.* on page 8.

You can review any of these agreements during normal business hours at the main operating office of Phillips, Hager & North, 20th floor, 200 Burrard Street, Vancouver, British Columbia, V6C 3N5.

Legal proceedings

We are not aware of any material legal proceedings, either pending or ongoing, to which the Funds, the manager of the Funds or a principal distributor of the Funds is a party.

Designated website

A mutual fund is required to post certain regulatory disclosure documents on a designated website. The designated website of the Funds can be found at the following location:

www.rbcgam.com/regulatorydocuments.

Valuation of portfolio securities

The value of any security or property held by a Fund or any of its liabilities will be determined in the following way:

- *Equities* – Common shares and preferred shares are valued at the closing price recorded by the security exchange on which the security is principally traded. In circumstances where the closing price is not within the bid-ask spread, management will determine the points within the bid-ask spread that are most representative of the fair value.
- *Fixed-Income and Debt Securities* – Bonds, mortgage-backed securities, loans, debentures and other debt securities are valued at the mid price quoted by major dealers or independent pricing vendors in such securities. *National Housing Act* (Canada)-approved mortgages are valued at an amount which produces a yield equivalent to the prevailing rate of return on mortgages of similar type and term.
- *Short-Term Investments* – Short-term investments are valued at cost plus accrued interest, which approximates fair value.
- *Options* – Options give the purchaser the right, but not the obligation, to buy (call) or sell (put) an underlying security or financial instrument at an agreed exercise or strike price during the specified period or on a specified date. Listed options are valued at the closing price on the recognized exchange on which the option is traded. In circumstances where the closing price is not within the bid-ask spread, management will determine the points within the bid-ask spread that are most representative of the fair value. When an option is written, the premium received by a Fund shall be reflected as a deferred credit which shall be valued at an amount equal to the current market value of the option that would have the effect of closing the position. Any differences resulting from the revaluation will be treated as an unrealized gain or loss on investment. The deferred credit will be deducted in arriving at the net asset value of the Fund. The securities, if any, which are the subject of a written option will be valued at their current market value.
- *Warrants* – Warrants are valued using a recognized option pricing model, which includes factors such as the terms of the warrant, time value of money and volatility inputs that are significant to such valuation.
- *Forward Contracts* – Forward contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date.
- *Total Return Swaps* – A total return swap is an agreement by which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains. Total return swap contracts are marked to market daily based upon quotations from the market makers.
- *Futures Contracts* – Futures contracts entered into by the Funds are financial agreements to purchase or sell a financial instrument at a contracted price on a specified future date. However, the Funds do not intend to purchase or sell the financial instrument on the settlement date; rather, they intend to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. Futures contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date.
- *Credit Default Swap Contracts* – Credit default swaps are agreements between a protection buyer and protection seller. The protection buyer pays a periodic fee in exchange for a payment by the protection seller contingent on the occurrence of a credit event, such as a default, bankruptcy or restructuring, with respect to a referenced entity. Credit default swap contracts are valued based on quotations from independent sources.
- *Underlying Funds* – Underlying funds that are not exchange-traded funds are valued at their respective net asset value per unit ("unit value") from fund companies on the relevant valuation dates and underlying funds that are exchange-traded funds are valued at market close on the relevant valuation dates.
- *Fair Valuation of Investments* – The Funds have procedures to determine the fair value of securities and other financial instruments for which market prices are not readily available or which may not be reliably priced. Procedures are in place to determine the fair value of foreign securities traded in countries outside of North America daily to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market.

Management also has procedures where the Funds primarily employ a market-based approach, which may use related or comparable assets or liabilities, the unit value (for exchange-traded funds), recent transactions, market multiples, book values and other relevant information for the investment to determine its fair value. The Funds may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments, but only if they arise as a feature of the instrument itself. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

- All security valuation techniques are periodically reviewed by the Valuation Committee ("VC") of RBC GAM and are approved by RBC GAM. The VC provides oversight of the Funds' valuation policies and procedures.
- *Cash* – Cash is comprised of cash and deposits with banks and is recorded at amortized cost. The carrying amount of cash approximates its fair value because it is short term in nature.
- *Foreign Exchange* – The value of investments and other assets and liabilities in foreign currencies is translated into Canadian dollars (U.S. dollars in the case of the $U.S. Money Market Fund) at the rate of exchange on each valuation date. Purchases and sales of investments, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions.
- A Fund's liabilities include:
  - all debts, obligations, liabilities or claims of any kind; and
  - all accrued operating expenses and other charges.
- If the valuation principles described above are not appropriate under the circumstances, RBC GAM will determine a value which it considers to be fair and reasonable in the circumstances. RBC GAM has not exercised this discretion within the past three years.

Calculation of net asset value

To determine the value of your investment in a Fund, RBC GAM or one of its affiliates calculates the net asset value for each series of units of the Fund.

The issue and redemption price of units of a series is based on the Fund's net asset value per unit of that series ("unit value"), next determined after receipt by RBC GAM of a complete purchase order or redemption order.

Each Fund maintains a separate net asset value for each series of units, as if the series were a separate fund. However, the assets of the Fund constitute a single pool for investment purposes. The net asset value for a series is based on series-specific amounts, such as amounts paid on the purchase and redemption of units of the series and expenses attributable solely to the series, and on the series' share of the Fund's investment earnings, market appreciation or depreciation of assets, common expenses and other amounts not attributable to a specific series. Expenses are recognized on an accrual (i.e. "as incurred") basis, not on a cash (i.e. "when paid") basis.

The unit value for each series is the basis for calculating the purchase price or redemption price for buying, switching or redeeming units of that series. We or our agent calculate the unit value for each series by dividing the net asset value for the series by the number of outstanding units of the series. We or our agent determine the unit value for each series at the close of trading on each valuation day.

A valuation day is defined as any day that the Toronto Stock Exchange is open for business, and/or any day or days as we determine, subject to compliance with applicable securities laws.

It is intended that a constant unit value for the Canadian Money Market Fund and the $U.S. Money Market Fund be maintained by calculating and allocating the net income to the unitholders daily and distributing it monthly and net realized capital gains annually. However, there is no guarantee that the unit price will not fluctuate.

You can get the net asset value of a Fund or the unit value for a series of a Fund, at no cost, by: (i) sending an email to *rbcgam@rbc.com*; (ii) calling us toll-free at 1-855-408-6111 for information on the Pension Trusts; or (iii) calling us toll-free at 1-800-661-6141 for all other Funds.

Purchases, switches and redemptions

How to buy, redeem and switch

Each Fund is permitted to have an unlimited number of series of units and may issue an unlimited number of units of each series. Not all dealers make all series available to investors. Your dealer is responsible for recommending the series most suitable for you.

Pension Trusts are primarily intended for use by institutions, corporations and in some cases, high net worth individuals.

Series A units

Series A units are available to all investors and may only be purchased, switched or redeemed through authorized third-party dealers. The Funds pay management fees to us with respect to Series A units. A portion of the management fee that is charged to the Funds is paid by us to the dealer as an ongoing service fee known as a trailing commission. Effective June 1, 2022, Series A units are no longer available to investors who hold these units in an account with an order execution only ("OEO") dealer or any other dealer that does not make a suitability determination.

Series AZ units

Series AZ units are available to investors of the Overseas Equity Fund who received such units in exchange for their Series A mutual fund shares of Phillips, Hager & North Overseas Equity Class on April 8, 2022, or as determined by PH&N from time to time. Series AZ units may only be purchased, switched or redeemed through authorized third-party dealers. The Overseas Equity Fund pays management fees to us with respect to Series AZ units. A portion of the management fee that is charged to the Overseas Equity Fund is paid by us to the dealer as an ongoing service fee known as a trailing commission. Effective June 1, 2022, Series AZ units are no longer available to investors who hold these units in an account with an OEO dealer or any other dealer that does not make a suitability determination.

Series T5 units

Series T5 units are available through authorized dealers, including RBC Dominion Securities Inc. and RBC Direct Investing Inc. A portion of the management fee that is charged to the Funds is paid by us to the dealer as a trailing commission. Effective June 1, 2022, Series T5 units are no longer available to investors who hold these units in an account with an OEO dealer or any other dealer that does not make a suitability determination.

Series H units

Series H units are only available to investors who invest and maintain the required minimum balance with authorized dealers, including RBC Dominion Securities Inc. and RBC Direct Investing Inc. A portion of the management fee that is charged to the Funds is paid by us to the dealer as a trailing commission. Effective June 1, 2022, Series H units are no longer available to investors who hold these units in an account with an OEO dealer or any other dealer that does not make a suitability determination.

Effective June 30, 2016, Series H units of the Monthly Income Fund are no longer available for purchase by new investors. Investors who held Series H units of the Monthly Income Fund on June 30, 2016 can continue to make additional investments into the Monthly Income Fund.

Series D units

Series D units may be purchased, switched or redeemed through Phillips, Hager & North Investment Funds Ltd., or certain other authorized dealers (primarily discount brokers) and, in some cases, us. The Funds pay us management fees with respect to Series D units. There are no sales charges or commissions paid for Series D units when purchased directly through Phillips, Hager & North Investment Funds Ltd. A portion of the management fee that is charged to the Funds may be paid by us to selected authorized dealers (including Phillips, Hager & North Investment Funds Ltd.) as a trailing commission. Effective June 1, 2022, Series D units are no longer available to investors who hold these units in an account with an OEO dealer or any other dealer that does not make a suitability determination.

Series DZ units

Series DZ units are available to investors of the Overseas Equity Fund who received such units in exchange for their Series D mutual fund shares of Phillips, Hager & North Overseas Equity Class on April 8, 2022, or as determined by PH&N from time to time. Series DZ units may be purchased, switched or redeemed through Phillips, Hager & North Investment Funds Ltd., or certain other authorized dealers (primarily discount brokers) and, in some cases, us. The Overseas Equity Fund pays us management fees with respect to Series DZ units. There are no sales charges or commissions paid for Series DZ units when purchased directly through Phillips, Hager & North Investment Funds Ltd. A portion of the management fee that is charged to the Overseas Equity Fund may be paid by us to selected authorized dealers (including Phillips, Hager & North Investment Funds Ltd.) as a trailing commission. Effective June 1, 2022, Series DZ units are no longer available to investors who hold these units in an account with an OEO dealer or any other dealer that does not make a suitability determination.

Series F and Series FT5 units of non-Pension Trusts

Series F and Series FT5 units of non-Pension Trusts are available to investors who have fee-based accounts with their dealers. Series F and Series FT5 units of non-Pension Trusts may also be available to investors who have OEO accounts at a dealer where no suitability determination is made. Investors may pay a fee directly to their dealer for the purchase and sale of Series F and Series FT5 units of non-Pension Trusts, for investment advice, and/or for other services. Series F and Series FT5 units of non-Pension Trusts may only be purchased, switched or redeemed through authorized dealers, and not directly through us. The non-Pension Trusts pay us management fees with respect to Series F and Series FT5 units. We do not pay any sales charge or commission to dealers who sell Series F or Series FT5 units, which means we can charge a lower management fee.

Series FZ units

Series FZ units are available to investors of the Overseas Equity Fund who received such units in exchange for their Series F mutual fund shares of Phillips, Hager & North Overseas Equity Class on April 8, 2022, or as determined by PH&N from time to time. They are available to investors who have fee-based accounts with their dealers. They may also be available to investors who have OEO accounts at a dealer where no suitability determination is made. Investors may pay a fee directly to their dealer for the purchase and sale of Series FZ units, for investment advice, and/or for other services. Series FZ units may only be purchased, switched or redeemed through authorized dealers, and not directly through us. The non-Pension Trusts pay us management fees with respect to Series FZ units. We do not pay any sales charge or commission to dealers who sell Series FZ units, which means we can charge a lower management fee.

Series F units of the Pension Trusts

Series F units of the Pension Trusts are available to large private or institutional investors who have fee-based accounts with us or authorized dealers and make the required minimum investment and minimum subsequent investment as determined by us from time to time. These investors pay us or their dealer a fee directly for investment advice or other services. Series F units of the Pension Trusts may only be purchased, switched or redeemed through us or authorized dealers. The Pension Trusts pay us management fees with respect to Series F units. We do not pay any sales charge or commission to dealers who sell Series F units, which means we can charge a lower management fee.

Series I units

Series I units are only available to investors who invest and maintain the required minimum balance and who have fee-based accounts with their dealers. These investors pay their dealer a fee directly for investment advice or other services. We do not pay any commission to dealers who sell Series I units, which means that we can charge a lower management fee. Effective June 30, 2016, Series I units of the Monthly Income Fund are no longer available for purchase by new investors. Investors who held Series I units of the Monthly Income Fund on June 30, 2016 can continue to make additional investments into the Monthly Income Fund.

Minimum balances

For Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5 and Series I units, you must maintain a minimum balance for each Fund. The table below outlines these minimums along with the minimum requirements for additional investments. We may change or waive these minimums at any time, at our sole discretion. For more information about automatic purchase plans, please refer to that section on page 26.

Applicable series	Minimum balance	Minimum additional investments/pre-authorized purchase plans
Series A	$500	$25
Series AZ	$500	$25
Series T5	$500	$25
Series H	$200,000	$25
Series D	$500	$25
Series DZ	$500	$25
Series F[1]	$500	$25
Series FZ	$500	$25
Series FT5	$500	$25
Series I	$200,000	$25

[1] Series F units of the Pension Trusts are available to large private or institutional investors who have fee-based accounts with us or authorized dealers and make the required minimum investment and minimum subsequent investment as determined by us from time to time.

Generally, if you purchase Series D or series DZ units of the Funds directly through Phillips, Hager & North Investment Funds Ltd., you must make an initial investment of at least $25,000. This $25,000 may be spread across different accounts. Subsequent purchases must be at least $1,000 unless you buy units through an automatic purchase plan. We may change or waive these minimum amounts at any time, at our discretion.

If you buy units through an automatic purchase plan, you must have at least $10,000 in your accounts with Phillips, Hager & North Investment Funds Ltd. and each purchase must be at least $100. For more information about automatic purchase plans, please refer to that section on page 26.

Series O units

Series O units are only available to large private or institutional investors who make the required minimum investment and minimum subsequent investment as determined by us from time to time. No management fees are payable by the Funds in respect of Series O units. Unitholders pay a negotiated fee directly or indirectly to us which will not exceed 2%. Series O units may only be purchased, switched or redeemed through us or, in certain circumstances, certain of our affiliates.

It is up to you and your advisor to determine which series is appropriate for you. Different series may have different minimum investment levels, may require you to pay different fees and expenses, and may affect the compensation we pay to a dealer. For more details see *Dealer compensation* on page 30 and *Fees and expenses* on page 27.

All Series

If your balance falls below the minimum required balance for a particular Fund or series, or you otherwise become ineligible to hold a particular Fund or series, we may require you to bring the value of your account up to the minimum, or we may redeem, reclassify or switch your units, as applicable. Where a unitholder is or becomes a citizen or resident of the United States or a resident of any other foreign country, we may require such unitholder to redeem their units if their participation has the potential to cause adverse regulatory or tax consequences for a Fund or other unitholders of a Fund. If we redeem, reclassify or switch your units, the effect will be the same as if you initiated the transaction. For redemptions in non-registered accounts, we may transfer the proceeds to you, and for redemptions in registered plans, we may transfer the proceeds to a registered savings deposit within the plan. We will not give you or your dealer notice prior to taking any action.

RBC GAM must receive your order to buy, redeem or switch your units before the applicable cut-off time to receive that day's unit value. It is the responsibility of your dealer to transmit orders to us in a timely manner and assume all associated costs.

If we receive your order before 4:00 p.m. Eastern Time on a valuation day (and before 1:00 p.m. Eastern Time on December 24, if that day is a valuation day), your order will be processed using that day's unit value. A separate unit value is calculated for each series of units. If we receive your order after 4:00 p.m. Eastern Time on a valuation day (and after 1:00 p.m. Eastern Time on December 24, if that day is a valuation day), your order will be processed using the next valuation day's unit value. If we determine that the unit value will be calculated at a time other than after the usual closing time of the TSX, the unit value paid or received will be determined relative to that time. All orders are processed by RBC GAM within two business days. You will find more information about buying, redeeming and switching units of the Funds on page 18. If you are placing your order through another dealer, that dealer may establish earlier cut-off times. Check with your dealer for details.

There are no charges for opening an account or buying units of the Funds directly through Phillips, Hager & North Investment Funds Ltd., or us. If you buy units of the Funds through another registered dealer, that dealer may charge you a fee for buying your units. These fees are negotiated between you and your dealer.

In certain circumstances, you may make arrangements to buy, switch or redeem units by telephone. In the event this service is set up, you may place your orders with Phillips, Hager & North Investment Funds Ltd. by telephone. For security reasons, telephone orders are recorded. Under certain circumstances, you may place transaction requests with Phillips, Hager & North Investment Funds Ltd. via its website at *www.phn.com*. In order to use this service, you must accept the website terms of use and Internet Access Agreement.

Restrictions on purchasing units of certain Funds

Effective June 30, 2016, Series H and Series I units of the Monthly Income Fund are no longer available for purchase by new investors. Investors who held Series H and Series I units of the Monthly Income Fund on June 30, 2016 can continue to make additional investments into the Monthly Income Fund. Please contact us or your dealer for more information.

Effective September 15, 2021, units of the Overseas Equity Fund, the Currency-Hedged Overseas Equity Fund and the Global Equity Fund are no longer available for purchase by new investors. Investors who held units of the Overseas Equity Fund, the Currency-Hedged Overseas Equity Fund or the Global Equity Fund on September 15, 2021 can continue to make additional investments into the applicable Fund they hold. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates that may invest in the Overseas Equity Fund, the Currency-Hedged Overseas Equity Fund or the Global Equity Fund. Please contact us or your dealer for more information.

Effective April 8, 2022, Series AZ, Series DZ and Series FZ units of the Overseas Equity Fund are no longer available for purchase by new investors. Investors who held Series AZ, Series DZ and Series FZ units of the Overseas Equity Fund on April 8, 2022 can continue to make additional purchases in Series AZ, Series DZ and Series FZ units of the Overseas Equity Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates that may invest in the Overseas Equity Fund. Please contact us or your dealer for more information.

Effective July 29, 2022, 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 July 29, 2022 can continue to make additional investments into the High Yield Bond Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates, that may invest in the High Yield Bond Fund. Please contact us or your dealer for more information.

When you buy units of a Fund through Phillips, Hager & North Investment Funds Ltd., you have to include full payment for your units with your order. If you buy units of a Fund through another registered dealer, you or your dealer must send full payment within two business days. For units of the Canadian Money Market Fund and the $U.S. Money Market Fund, your dealer must send payment within one business day of the date the dealer sends in your order. Your dealer is responsible for sending in your order the same day that the dealer receives it from you.

If we do not receive payment in full within the time limits described above or if a cheque is returned because of insufficient funds, the units that you bought will be redeemed on the next valuation day. If they are redeemed for more than you paid, the Fund will keep the difference. If they are redeemed for less than you paid, your dealer will be charged for the difference plus any costs. Your dealer may, in turn, charge you for these amounts.

We have the right to refuse any order to buy or switch units. We must do so within one business day from the time we receive the order. If your order is refused, your money will be returned to you in full, without interest.

Fair value pricing

The TSX closes at 4:00 p.m. Eastern Time. We use the market value for securities as of 4:00 p.m. Eastern Time to price the North American securities held in the Funds' portfolios. However, the trading hours for most foreign (i.e. non-North American) securities end prior to the 4:00 p.m. Eastern Time close of the TSX. For example, the most recent closing price for a security which trades primarily in Asian markets may be as much as 15 hours old by 4:00 p.m. Eastern Time. Therefore, we have procedures in place to fair value foreign securities traded in countries outside North America on a daily basis, to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market. Accordingly, the value calculated on fair valued securities for purposes of calculating a Fund's net asset value may differ from that security's most recent closing market price. As a means of evaluating our fair value process, we will routinely compare closing market prices, the next day's opening prices in the same markets, and adjusted fair value prices. These procedures are designed to minimize the potential for market timing strategies, which are largely focused on Funds with significant holdings of foreign securities. They may also be used in respect of foreign securities held by an underlying fund in which a Fund may invest, indirectly affecting the net asset value of the Fund.

Short-term trading

Most mutual funds are considered long-term investments, so we discourage investors from buying, redeeming or switching units frequently.

Some investors may seek to trade Fund units frequently in an effort to benefit from differences between the value of a Fund's units and the value of the underlying securities (market timing). These activities, if undertaken by unitholders, can negatively impact the value of the Fund to the detriment of other unitholders. They may also increase a Fund's transaction costs. Excessive short-term trading can also reduce a Fund's return because the Fund may be forced to hold additional cash to pay redemption proceeds or, alternatively, to sell portfolio holdings, thereby incurring additional trading costs.

Depending on the Fund and the particular circumstances, we will employ a combination of preventative and detective measures to discourage and identify excessive short-term trading in funds managed by RBC GAM, including:

- fair value pricing of securities held by a Fund;
- imposition of short-term trading fees; and
- monitoring of trading activity and refusal of trades.

Short-term trading fee

With the exception of the Canadian Money Market Fund and the $U.S. Money Market Fund, a fee of up to 2% of the current value of the units redeemed or switched may be charged if you invest in units of a Fund for a seven-day period or less.

Fees charged will be paid directly to the Fund, and are designed to deter excessive trading and offset its associated costs. For the purposes of determining whether the fee applies, we will consider the units that were held the longest to be the units which are redeemed first. The fee may not apply in certain circumstances, including:

- pre-authorized, auto switch or systematic withdrawal plans;
- redemption of units by omnibus accounts;
- redemptions of units purchased by the reinvestment of distributions;
- reclassification of units from one series to another series of the same Fund; or
- redemptions triggered by portfolio rebalancing initiated by RBC GAM, another Fund, a mutual fund where redemption notice requirements have been established by RBC GAM, or a discretionary allocation program.

Monitoring of trading activity

RBC GAM regularly monitors transactions in all of the Funds. RBC GAM has established criteria for each Fund that is applied fairly and consistently in an effort to eliminate trading activity that RBC GAM deems potentially detrimental to long-term unitholders. RBC GAM has the right to restrict or reject any purchase or switch order without any prior notice, including transactions accepted by your dealer.

Generally speaking, your trading may be considered excessive if you sell or switch your units of a Fund within 90 days of buying them on more than one occasion.

RBC GAM has the right to consider trading activity in multiple accounts under common ownership, control or influence as trading in a single account when exercising our right to reject a purchase or switch. **Whether your trading is considered excessive will be determined in our sole discretion.**

While we actively take steps to monitor, detect and deter excessive and inappropriate short-term trading, we cannot ensure that such trading activity will be completely eliminated.

Purchases

The issue price of units of a series is based on the Fund's unit value next determined after receipt by RBC GAM of a complete purchase order.

To buy units of a Fund via the methods listed above once you have opened an account through Phillips, Hager & North Investment Funds Ltd. or, in certain circumstances, through us, please provide the following information:

› your name and account number;

› the date of the transaction;

› the name of the Fund(s) and dollar amount of units you want to buy;

› a cheque made out to the trustee of the Funds, or if applicable, financial institution information for an Electronic Funds Transfer ("EFT"); and

› your signature, if the transaction is submitted by mail or by fax.

Pre-printed forms are also available for your use, and can be found on our website.

Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series I and Series O units are no load, which means you can buy, redeem or switch Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series I and Series O units of a Fund through certain dealers without paying a commission. See *Fees and expenses* on page 27 and *Dealer compensation* on page 30 for more information.

We may limit or "cap" the size of a Fund by restricting new purchases, including units bought through switches. We will continue to permit redemptions and the calculation of the Fund's unit value for each series. We may subsequently decide to start accepting new purchases or switches to that Fund at any time.

We will not accept orders to buy units during a period when we have suspended the right of unitholders to redeem units. See *When you may not be allowed to redeem your units* on page 25 for more details. Restrictions apply to purchases of units of certain Funds. Please see *Restrictions on purchasing units of certain Funds* on page 21.

About sales charges

There are no sales charges when you purchase Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series I and Series O units of the Funds.

Switching between Funds

You may redeem units of one Fund managed by RBC GAM to buy units of another Fund managed by RBC GAM or, in some cases, an affiliate. This is called "switching." You may do so as long as you maintain the relevant minimum balance in each Fund.

The same rules for buying and redeeming units of the Funds apply to switches.

Once we receive your order to switch, we will redeem your units in the Fund from which you are switching and use the proceeds to buy units of the other Fund to which you are switching.

There are no fees for switching units of a Fund or switching into or out of units of a Fund, other than short-term trading fees (please refer to the heading *Short-term trading fee* on page 22). **These switches will constitute a disposition and may result in a capital gain or loss for income tax purposes. You are responsible for tracking and reporting to the Canada Revenue Agency ("CRA") any capital gain or loss that you realize. For information about income tax considerations, please see *Income tax considerations for investors* on page 33.**

We may suspend or restrict your switching privileges if you switch between Funds too often.

Restrictions on purchases of units of certain Funds also apply in respect of switches into units of those Funds. See *Restrictions on purchasing units of certain Funds* on page 21.

For information about automatic switching, please refer to the section called *Investment allocation plans* on page 26.

Re-designation

A switch between series of units of a Fund is called a "re-designation." With our prior approval, you can re-designate from one series of units of a Fund to another series of units of the same Fund, as long as you are eligible to hold that series of units. If you are no longer eligible to hold a series of units, we will switch you out of that series to another series of units of the same Fund, as appropriate.

We do not charge any fees to switch between series of the same Fund. Switching units of one series to units of another series of the same Fund is not considered a disposition for tax purposes.

Units of any series may at any time, without notice to unitholders but upon two days' prior written notice to the trustee of the Funds, be re-designated by RBC GAM as units of a different series of the same Fund based on the applicable series unit value for the two series of units on the date of the re-designation, provided that no such re-designation shall be made which in the opinion of RBC GAM adversely affects the pecuniary value of the interest of the holder of such units.

Redemptions

With the exception of short-term trading fees, there are no charges for redeeming units of the Funds directly through us or Phillips, Hager & North Investment Funds Ltd. If you redeem units of the Funds through another registered dealer, that dealer may charge you a fee for redeeming your units.

The redemption price of units of a series is based on that series' unit value, next determined after receipt by the Fund of the redemption order.

To redeem units of a Fund via the methods listed above through Phillips, Hager & North Investment Funds Ltd. or, in certain circumstances, through us, please provide the following information:

- your name and account number;
- the date of the transaction;
- the name of the Fund(s) and dollar amount of units you want to redeem;
- the method of the redemption payment (e.g. cheque or EFT); and
- your signature, if the transaction is submitted by mail or by fax.

You may also need to provide other information. If more information is needed, you will be contacted.

If a cheque is requested, we will automatically send your cheque to the address on our file. To deposit the payment directly into your account with a Canadian financial institution via an EFT, enclose a cheque marked "void" with your transaction request if you have not done so previously. You may also specify that we deposit the payment into your bank account on record.

When you redeem units of a Fund, we will send you your money within two business days if:

- instructions necessary to complete the transaction have been received; and
- any payment for buying the same units that you are redeeming has cleared.

However, you may receive the money later due to mail delays.

RBC GAM must receive your redemption request before the applicable cut-off time to redeem your units at that day's unit value. Once instructions necessary to complete the transaction are received by us from your dealer, the money will be released to you. If these instructions are not received by us within 10 business days of the date of your redemption order or you do not satisfy the requirements of securities laws to redeem your units, the units you sold will be bought back by us on your account on the next valuation day. If they are bought back for less than you sold them for, the Fund keeps the difference. If they are bought back for more than you sold them for, your dealer will be charged for the difference plus any costs. Your dealer may, in turn, charge you for these amounts if the dealer suffers a loss.

When you may not be allowed to redeem your units

In extraordinary circumstances, we may suspend the right of investors to redeem units of a Fund. These circumstances include when:

› normal trading is suspended on any stock exchange on which securities or derivatives that make up more than half of the Fund's total assets by value are traded; or

› we have permission from the applicable securities regulatory authority.

We reserve the right to require any unitholder of a Fund to redeem such unitholder's entire holding or a portion of units of the Fund at our sole discretion including where a unitholder is or becomes a U.S. citizen or resident of the United States or a resident of another foreign country if we conclude that their participation has the potential to cause adverse regulatory or tax consequences for a Fund or other unitholders of a Fund.

Optional services

Types of accounts available

If you purchase units of a Fund from Phillips, Hager & North Investment Funds Ltd., they offer non-registered taxable investment accounts, registered accounts for various types of plans and Tax Free Savings Accounts ("TFSAs"). With these accounts, you can create a customized portfolio using any combination of our investment funds and other authorized investments. There are no administration fees for any type of account or service.

Investment accounts are available for any investor including individuals (singularly or jointly), trusts, corporations, foundations and endowments.

RRSP accounts are for Registered Retirement Savings Plans ("RRSPs"). You receive a tax deduction for your contributions (subject to limits) and do not pay tax on the income from your investment or the growth in value until you withdraw money from the account.

RRIF accounts are for your Registered Retirement Income Fund ("RRIF"). This account allows you to make regular withdrawals, according to certain tax rules. You do not pay tax on the income or growth from your investment until you withdraw money from the account.

RESP accounts are for your Registered Education Savings Plan ("RESP") and can be used towards the future cost of education for family members. The income and growth from your investment are tax sheltered and under certain conditions your plan may qualify for government grants. To have an RESP account you must satisfy the investment account minimum.

TFSAs are also available through Phillips, Hager & North Investment Funds Ltd. You do not pay tax on the income from your investment held in a TFSA or the growth in value.

We also offer registered plans for:

› spousal retirement plans, to let you contribute to an RRSP in your spouse's name;

› transfers of retiring allowances, and transfers from registered pension plans and deferred profit sharing plans ("DPSPs");

› Locked-In Retirement Accounts ("LIRAs");

› Locked-In Retirement Income Funds ("LRIFs");

› Life Income Funds ("LIFs"); and

› First Home Savings Accounts ("FHSAs").

You should consult your tax advisor for more information about the tax implications of registered plans.

Automatic purchase plans

If you want to invest in a Fund on a regular basis, you can use an automatic purchase plan.

Here is how the plan works:

- See *Purchases, switches and redemptions – Minimum balances* on page 20 for the minimum initial investment and the minimum additional investments required for each series of units of a Fund.
- If you do not invest the minimum balance amount, you must build up to the minimum balance within one year (for Series H, Series D, Series DZ, Series I and Series O units the minimum investment must be made up front).
- You can invest weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annually or annually, depending on the kind of account you have. For more information, please ask your dealer.
- We or your dealer will automatically transfer money from your bank account with any financial institution to purchase units in the Fund you choose.
- We or your dealer will cancel your plan if your payment is returned due to insufficient funds in your bank account.
- A trade confirmation is issued only for the first trade. All future trades will be reflected on your account statement.
- If you make regular investments in the Funds through an automatic purchase plan, you will receive a copy of the new simplified prospectus that we file each year for the Funds.
- Additional information regarding automatic purchase plans is contained in the forms that you must complete to set up a plan.

If you use an automatic purchase plan to buy units of a Fund, your dealer will deliver the most recently filed fund facts document to you once upon your initial purchase of securities of a Fund, and then may not thereafter for subsequent purchases of the same Fund pursuant to the automatic purchase plan unless you request it. You may request copies of the most recently filed fund facts documents for your funds at any time and at no cost by calling us toll-free for the Pension Trusts at 1-855-408-6111 and at 1-800-661-6141 for all other Funds, by contacting us by email at *rbcgam@rbc.com*, or by contacting another dealer who sells our Funds. The most recently filed fund facts documents and simplified prospectus of the Funds may also be found on the SEDAR website at *www.sedar.com* or on the Funds' designated website at *www.rbcgam.com/regulatorydocuments*.

You do not have a statutory right of withdrawal under applicable securities legislation for your purchase of securities of the Funds pursuant to the automatic purchase plan, other than in respect of your initial purchase of these securities. However, you will continue to have all other statutory rights under applicable securities legislation, including a right of action if there is a misrepresentation in this simplified prospectus or any document incorporated by reference into the simplified prospectus. See *What are your legal rights?* on page 35 for more information.

Automatic reinvestment of distributions

We will reinvest your distributions to buy additional units of the Fund, unless you tell us in advance that you want to receive your distributions in cash.

If you hold your account with another dealer, please contact your dealer to find out how the reinvestment of distributions is managed.

Automatic withdrawal plans

You can make regular withdrawals by instructing us to redeem units of your Phillips, Hager & North investment fund automatically. Automatic withdrawals can provide steady income from your accounts.

Investment allocation plans

You can arrange to gradually transfer your investment in one Phillips, Hager & North investment fund to one or more other Phillips, Hager & North investment funds. You decide the amount and frequency of these allocations based on your investment needs, objectives and risk tolerance. This service may be useful to you if you want to adjust your investments to reflect a change in your needs or gradually diversify your investments over time. This can lower the average cost of your portfolio and is sometimes called "dollar cost averaging."

Fees and expenses

A brief description of the fees and expenses that you may have to pay if you invest in the Funds is set out in the table below. You may have to pay some of these fees and expenses directly. The Funds may pay some of these fees and expenses, which will therefore reduce the value of your investment in the Funds.

FEES AND EXPENSES PAYABLE BY THE FUNDS

Management fees	Each Fund pays an annual fee to RBC GAM with respect to Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5 and Series I units issued by the Fund for its services as manager of the Fund. RBC GAM, in its capacity as manager of each Fund, manages the day-to-day business of each Fund. RBC GAM acts as principal portfolio manager of each Fund, managing the investment portfolios of each Fund, either directly or through sub-advisors. This management fee, which is listed under the heading *Fund details* at the beginning of each Fund description, is calculated and accrued daily and varies for each series of units of each Fund, and is subject to applicable taxes, including goods and services tax ("GST")/harmonized sales tax ("HST"). The Funds do not pay a management fee with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to RBC GAM which will not exceed 2% for investment services provided pursuant to an agreement between the investor and RBC GAM, and will be subject to applicable taxes including GST/HST. RBC GAM, in its capacity as manager of the Funds, manages the day-to-day business of the Funds. This includes, but is not limited to, negotiating contractual agreements with and oversight of service providers, preparing reports to mutual fund unitholders and securities regulatory authorities, arranging for distribution and appointment of distributors for the Funds, paying trailing commissions and conducting certain marketing activities. RBC GAM acts as principal portfolio manager of the Funds, managing the investment portfolios and executing portfolio transactions for the Funds directly. RBC GAM may, in some years and in certain cases, absorb a portion of a series' management fee. The decision to absorb the management fee is determined at the discretion of RBC GAM, without notice to unitholders. RBC GAM may reduce the management fee borne by investors who have made substantial investments in the Funds. RBC GAM may decide to do this for a number of reasons, including the value of the assets RBC GAM manages for the investor and RBC GAM's relationship with the investor. RBC GAM calculates the amount of the reduction using a sliding scale based on the value of the investor's assets that RBC GAM manages. The amount of the reduction is not negotiable. It is determined by RBC GAM, at its discretion. An amount equal to the reduction is paid to the applicable investors as a special distribution from the Fund (a "management fee distribution"), and is automatically reinvested in additional units. Management fee distributions are paid first out of net income and net realized capital gains, and thereafter as a return of capital. Return of capital represents a return to the investor of a portion of their own invested capital. Unitholders will be provided with written notice of any change to these fees (and any other fee charged to a Fund) that could result in an increase in charges to a Fund at least 60 days before the change becomes effective.

Operating expenses	We pay certain operating expenses of the Funds. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, annual fees, meeting fees and reimbursement for expenses to members of the IRC, recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees, and the costs of preparing and distributing annual and interim reports, prospectuses, fund facts, statements and investor communications. In return, each Fund pays RBC GAM a fixed administration fee. The administration fee is calculated and accrued daily on the net asset value of each series of units of a Fund and may vary by series of units and by Fund. Such fees are listed under the heading *Fund details* at the beginning of each Fund description, and are subject to applicable taxes including GST/HST. The amount of operating expenses paid by us in exchange for the payment of the administration fee may exceed or be less than the administration fee in any particular period. Each Fund will continue to pay certain operating expenses directly, including any IRC costs and expenses that are not related to annual fees, meeting fees and reimbursement for expenses to members of the IRC, the cost of any new government or regulatory requirements and any borrowing costs (collectively, “other Fund costs”) and taxes (including GST/HST as applicable). Other Fund costs will be allocated among Funds and among each series of units of a Fund in a fair and equitable manner in accordance with the services used. Unitholders will be provided with written notice at least 60 days before the basis of calculating any of these expenses (or any other expense charged to a Fund) is changed in any other way that could result in an increase in charges to a Fund. We may, in some years and in certain cases, absorb a portion of a series’ administration fee or other Fund costs. The decision to absorb the administration fee or other Fund costs is determined at the discretion of Phillips, Hager & North, without notice to unitholders. The Funds may invest in units of other funds managed by RBC GAM or its affiliates. These other funds have their own fees and expenses to pay in addition to those paid by any funds that invest in them. However, a Fund will not invest in units of another fund if the Fund would be required to pay any management or incentive fees in respect of that investment that a reasonable person would believe duplicates a fee payable by the other fund for the same service. In addition, a Fund will not invest in another fund managed by RBC GAM if any sales or redemption fees are payable in respect of the investment or invest in any other fund if the Fund would be required to pay any sales or redemption fees in respect of the investment that a reasonable person would believe duplicates a fee payable by unitholders. Effect of GST/HST on Management Expense Ratio A Fund is required to pay GST/HST on management fees and administration fees charged to the Fund. In general, the HST rate depends on the residence of a Fund’s unitholders at a certain point in time. Changes in existing GST/HST rates, changes to which provinces impose HST and changes in the breakdown of the residence of a Fund’s unitholders will have an impact on the management expense ratio of a Fund. Independent Review Committee The IRC acts as the independent review committee of the Funds. Each IRC member is entitled to receive an annual fee of $60,000 ($70,000 for the Chair), a meeting fee of $5,000 for each regularly scheduled IRC meeting and a meeting fee of $1,500 for additional meetings by conference call. Each member of the IRC is also reimbursed for expenses in connection with performing his or her duties in this regard. These fees and expenses are operating expenses paid by RBC GAM, and in return, each Fund pays a fixed administration fee to RBC GAM.

FEES AND EXPENSES PAYABLE DIRECTLY BY YOU

Sales charges	The Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series I and Series O units of the Funds are "no load," which means you can buy, redeem or switch units of these series through Phillips, Hager & North Investment Funds Ltd., us and certain dealers, without paying a sales charge.
Switch fees	There is no fee payable to us for re-designating your Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series I and Series O units of a Fund from one series to another series of the same Fund, or for switching from one Fund to another Fund. RBC GAM may charge a short-term trading fee if you redeem your units within seven days of buying them. Please see *Short-term trading fee* on page 22 of this Simplified Prospectus.
Redemption fees	You pay no sales charge when you redeem Series A, Series AZ, Series T5, Series H, Series D, Series DZ, Series F, Series FZ, Series FT5, Series I and Series O units of a Fund. RBC GAM may charge a short-term trading fee if you redeem your units within seven days of buying them. Please see *Short-term trading fee* on page 22 of this Simplified Prospectus.
Short-term trading fees	With the exception of the Canadian Money Market Fund and the $U.S. Money Market Fund, we may impose a short-term trading fee of up to 2% of the current value of the units if you redeem or switch out units within seven days of purchasing or previously switching into a Fund. Please see *Short-term trading fee* on page 22 of this Simplified Prospectus.
Registered tax plan fees	Fees may be payable to your dealer if you transfer an investment within a registered plan to another financial institution. None of these fees are paid to us.
Other fees and expenses	Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%.

Management fee distribution programs

We may, in some years and in certain cases, absorb a portion of a series' management fee. The decision to absorb the management fee is determined at our discretion, without notice to unitholders.

We may reduce part of the management fee indirectly borne by investors who have made substantial investments in the Funds. We may decide to do this for a number of reasons, including the value of the investor's assets that we manage and our relationship with the investor. We calculate the amount of the reduction using a sliding scale based on the value of the investor's assets that we manage. The amount of the reduction is not negotiable. It is determined by us, at our discretion.

We do not reimburse investors directly in respect of management fees. Instead, we may agree to charge the Funds a reduced management fee as compared to the management fee that we otherwise would be entitled to receive, provided that an amount equal to the reduction in the management fee is distributed and payable periodically by the Fund to the qualifying investors (referred to as management fee distributions). Each investor may choose to receive such distributions from a Fund in cash or as additional units of the Fund. Distributions made by a Fund in respect of reimbursed fees are normally considered distributions of the Fund's net income. However, in some circumstances such distributions may be, in whole or in part, distributions of the Fund's net realized capital gains or returns of capital. **A return of capital represents a return to the investor of a portion of their own invested capital.** The income tax consequences of management fee distributions will generally be borne by the qualifying investors who receive the distributions. See *Income tax considerations for investors* on page 33.

Dealer compensation

How your investment professional and dealer are paid

Your investment professional is usually the person through whom you purchase the Funds. Your investment professional could be a broker, financial planner or advisor who is registered to sell mutual funds. Your dealer is the firm for which your investment professional works.

For Series A, Series AZ, Series T5, Series H, Series D, Series DZ, and Series O units

Series A, Series AZ, Series T5, Series H, Series D, Series DZ, and Series O units are "no load," which means you can buy, redeem or switch units of these series through Phillips, Hager & North Investment Funds Ltd., us and certain dealers, without paying a commission.

Restrictions may apply on purchases of Series A, Series AZ, Series T5, Series H, Series D, Series DZ and Series O units of certain Funds. Please see *Restrictions on purchasing units of certain Funds* on page 21.

For Series F, Series FZ, Series FT5 and Series I units

You do not pay sales charges on Series F, Series FZ, Series FT5 or Series I units, nor do we pay commissions to your dealer in respect of Series F, Series FZ, Series FT5 or Series I units. Your advisor or dealer negotiates a fee directly with you for the services your advisor or dealer provides.

Restrictions may apply on purchases of Series F, Series FZ, Series FT5 or Series I units of certain Funds. Please see *Restrictions on purchasing units of certain Funds* on page 21.

Trailing commissions

For Series A, Series AZ, Series T5, Series H, Series D and Series DZ units, RBC GAM pays dealers a trailing commission based on the total value of Series A, Series AZ, Series T5, Series H, Series D or Series DZ units their clients hold in the Funds, according to the following table.

	Maximum annual trailing commissions			
Fund type*	Series A	Series T5	Series H	Series D
Money market funds				
Phillips, Hager & North Canadian Money Market Fund	0.10%	–	–	0.10%
Phillips, Hager & North $U.S. Money Market Fund	0.10%	–	–	0.10%
Fixed-income funds				
Phillips, Hager & North Short Term Bond & Mortgage Fund	0.50%	–	–	0.15%
Phillips, Hager & North Bond Fund	0.50%	–	–	0.15%
Phillips, Hager & North Total Return Bond Fund	0.50%	–	–	0.15%
Phillips, Hager & North Inflation-Linked Bond Fund	0.50%	–	–	0.15%
Phillips, Hager & North High Yield Bond Fund	0.50%	–	–	0.15%
Balanced funds				
Phillips, Hager & North Monthly Income Fund	1.00%	–	1.00%	0.25%
Phillips, Hager & North Balanced Fund	1.00%	–	–	0.25%
Canadian equity funds				
Phillips, Hager & North Dividend Income Fund	1.00%	–	–	0.25%
Phillips, Hager & North Canadian Equity Fund	1.00%	–	–	0.25%
Phillips, Hager & North Canadian Equity Value Fund	1.00%	1.00%	–	0.25%
Phillips, Hager & North Conservative Equity Income Fund	1.00%	–	–	–
Phillips, Hager & North Canadian Growth Fund	1.00%	–	–	0.25%
Phillips, Hager & North Canadian Income Fund	1.00%	–	–	0.25%
Phillips, Hager & North Vintage Fund	1.00%	–	–	0.25%
Phillips, Hager & North Small Float Fund	1.00%	–	–	0.25%
U.S. equity funds				
Phillips, Hager & North U.S. Dividend Income Fund	1.00%	–	–	0.25%
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	1.00%	–	–	0.25%
Phillips, Hager & North U.S. Equity Fund	1.00%	–	–	0.25%
Phillips, Hager & North Currency-Hedged U.S. Equity Fund	1.00%	–	–	0.25%
Phillips, Hager & North U.S. Growth Fund	1.00%	–	–	0.25%

Fund type*	Maximum annual trailing commissions Series A	Series T5	Series H	Series D
International equity funds				
Phillips, Hager & North Overseas Equity Fund[1]	1.00%	–	–	0.25%
Phillips, Hager & North Currency-Hedged Overseas Equity Fund	1.00%	–	–	0.25%
Global equity funds				
Phillips, Hager & North Global Equity Fund	1.00%	–	–	0.25%
Target date funds				
Phillips, Hager & North LifeTime 2015 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2020 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2025 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2030 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2035 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2040 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2045 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2050 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2055 Fund	–	–	–	0.25%
Phillips, Hager & North LifeTime 2060 Fund	–	–	–	0.25%

* For fund type, please refer to the *Fund details* section of each Fund profile.

[1] The trailing commission for Series AZ and Series DZ units of the Phillips, Hager & North Overseas Equity Fund is 1.00% and 0.25%, respectively.

The trailing commission is calculated as a percentage of the assets each dealer has placed in Series A, Series AZ, Series T5, Series H, Series D or Series DZ units of a Fund. The trailing commission is calculated daily, based on the closing balance of client accounts. Trailing commissions are paid quarterly, or any other time, at our sole discretion. We also pay trailing commissions to the discount broker for securities you purchase through your discount brokerage account. For Series D and Series DZ units, payment of trailing commissions is typically limited to discount brokers and Phillips, Hager & North Investment Funds Ltd.

We may change the terms of the trailing commission paid to your dealer without informing you. Dealers typically pay a portion of the service fee to their investment professionals for the services they provide to their clients. We do not pay trailing commissions on Series F, Series FZ, Series FT5, Series I or Series O units.

Other forms of dealer support

RBC GAM and its affiliates may participate in co-operative advertising programs with dealers to help them market the Funds. Such activities will be in accordance with the rules set out in National Instrument 81-105 *Mutual Fund Sales Practices* ("NI 81-105").

Royal Bank owns, directly or indirectly, 100% of RBC GAM, Royal Mutual Funds Inc., RBC Dominion Securities Inc., RBC Direct Investing Inc. and Phillips, Hager & North Investment Funds Ltd., which are principal distributors and/or participating dealers in respect of certain series of units of the Funds.

Income tax considerations

This summary is based on the current provisions of the *Income Tax Act (Canada)* ("Tax Act") and the regulations under it, all specific proposals to amend the Tax Act and its regulations that have been publicly announced by the Minister of Finance, and the published administrative practices of the CRA. It is assumed that all amendments will be passed as proposed.

This summary is of a general nature and is not intended to be exhaustive. It does not take into account provincial, territorial or foreign tax laws. **Investors should consult their own tax advisors with respect to the tax consequences in their particular circumstances.**

Each Fund (other than the Long Inflation-linked Bond Fund, the Canadian Equity Underlying Fund, the LifeTime 2015 Fund, the LifeTime 2055 Fund, the LifeTime 2060 Fund, the Conservative Pension Trust, the Growth Pension Trust, the Canadian Equity Pension Trust and the Canadian Equity Plus Pension Trust) is currently, and is expected to continue to be, a mutual fund trust under the Tax Act. The excluded Funds are not currently mutual fund trusts because they do not meet conditions relating to the number of unitholders. Each of the Long Inflation-linked Bond

Fund, the Canadian Equity Underlying Fund, the LifeTime 2015 Fund, the LifeTime 2055 Fund, the LifeTime 2060 Fund, the Conservative Pension Trust, the Growth Pension Trust, the Canadian Equity Pension Trust and the Canadian Equity Plus Pension Trust is registered as a registered investment under the Tax Act for RRSPs, RRIFs and DPSPs.

Income tax considerations for the Funds

Generally, a trust must pay tax on its net income and net realized capital gains for a year, except to the extent such amounts are distributed to unitholders. A Fund that is a mutual fund trust is entitled to a refund of the tax payable in respect of net realized capital gains that are not distributed, up to a limit set out in the Tax Act. The Trust Agreement requires each Fund to distribute all of its net income each year and sufficient of its net realized capital gains, so that the Fund will not pay any tax under Part I of the Tax Act (other than alternative minimum tax). A Fund that is not a mutual fund trust under the Tax Act may be subject to alternative minimum tax under the Tax Act and will not be eligible for capital gains refunds under the Tax Act.

This summary assumes that not more than 50% of the units of any Fund that is not a mutual fund trust under the Tax Act will at any time be held by one or more "financial institutions", as defined for purposes of sections 142.3 to 142.7 of the Tax Act. If more than 50% (calculated on a fair market value basis) of the units of a Fund are held by one or more unitholders that are considered to be "financial institutions" for the purposes of certain special mark-to-market rules in the Tax Act, then that Fund itself will be treated as a financial institution under those special rules. Under those rules, a Fund will be required to recognize at least annually on income account any gains and losses accruing on certain types of debt obligations and equity securities that it holds and also will be subject to special rules with respect to income inclusion on these securities. Any income arising from such treatment will be included in amounts to be distributed to unitholders. If more than 50% of the units of a Fund cease to be held by financial institutions, the tax year of the Fund will be deemed to end immediately before that time and any gains or losses accrued before that time will be deemed realized by the Fund and will be distributed to unitholders. A new taxation year for the Fund will then begin and for that and subsequent taxation years, for so long as not more than 50% of the units of the Fund are held by financial institutions, the Fund will not be subject to these special mark-to-market rules.

All of a Fund's deductible expenses, including expenses common to all series of the Fund and expenses specific to a particular series (such as management fees), will be taken into account in determining the income or loss of the Fund as a whole.

In computing the net income and net realized capital gains of each Fund, gains from investing in derivatives, other than derivatives used in some circumstances for hedging purposes, will generally be treated as income rather than capital gains. Loss suspension or restriction rules may prevent a Fund from using losses in certain circumstances. For each of the Long Inflation-linked Bond Fund and the Inflation-Linked Bond Fund, certain amounts deemed to be interest receivable or payable (generally, amounts determined in respect of inflation or deflation related adjustments to a bond's principal amount), will be included or deducted, as the case may be, in computing the income of those Funds.

Although the financial statements for the $U.S. Money Market Fund are maintained in U.S. dollars, Canadian dollar amounts must be used for tax purposes. The Fund may therefore realize a capital gain or loss when it sells an investment or when an investment matures, as a result of a change in the exchange rate from the time the investment was acquired to the time of sale or maturity.

A Fund that is a registered investment and is not a mutual fund trust (currently expected to be the Long Inflation-linked Bond Fund, the Canadian Equity Underlying Fund, the LifeTime 2015 Fund, the LifeTime 2055 Fund, the LifeTime 2060 Fund, the Conservative Pension Trust, the Growth Pension Trust, the Canadian Equity Pension Trust and the Canadian Equity Plus Pension Trust) will be liable for a penalty tax under subsection 204.6(1) of the Tax Act if, at the end of any month, the Fund holds any investments that are not qualified investments for RRSPs, RRIFs or DPSPs. The tax for a month is generally equal to 1% of the cost of the non-qualified investments held at the end of the month, multiplied by the percentage of units of the Fund that are held by registered plans.

If at any time in a year a Fund that is not a mutual fund trust under the Tax Act throughout that year has a unitholder that is a "designated beneficiary," the Fund will be subject to a special tax at the rate of 40% under Part XII.2 of the Tax Act on its "designated income" within the meaning of the Tax Act. A "designated beneficiary" includes a non-resident, and "designated income" includes taxable capital gains from dispositions of "taxable Canadian property" and income from business carried on in Canada (which could include gains on certain derivatives). Where a fund is subject to tax under Part XII.2, the Fund may make a designation which will result in unitholders that are not designated beneficiaries receiving a tax credit with respect to their share of the Part XII.2 tax paid by the Fund.

Income tax considerations for investors

How your investment can earn money

Your investment in units of a Fund can earn income from:

- any earnings a Fund makes or realizes on its investments which are allocated to you in the form of distributions; and
- any capital gains that you realize when you redeem or switch your units of a Fund at a profit.

The tax you pay on your mutual fund investment depends on whether your hold your units in a non-registered account or in an RRSP, RRIF, DPSP, RESP, Registered Disability Savings Plan ("RDSP"), FHSA or TFSA (collectively, "registered plans").

Units held in non-registered accounts

If you hold your units in a non-registered account, you have to report the distributions (including such amounts distributed as management fee distributions or on the redemption of units) you receive from the Funds (other than returns of capital) on your income tax return, whether those amounts are distributed in cash or reinvested in additional units. The $U.S. Money Market Fund may be considered to realize gains for Canadian tax purposes as a result of exchange rate fluctuations, since the Fund invests in U.S.-dollar-denominated securities but must report its income for tax purposes in Canadian dollars. In such case, the Fund may make additional distributions to unitholders calculated and paid in accordance with the rules in the Tax Act so as to ensure that the Fund will not pay income tax. Any such additional distribution will be immediately reinvested in additional units and the units of the Fund will then be consolidated to ensure that the net asset value per series unit is maintained at the amount prior to the distribution. The amount of this distribution will be included in your income and added to the adjusted cost base ("ACB") of your units.

Generally, distributions of Canadian dividends, capital gains and foreign source income will retain their character, and be taxed as if you earned them directly. Distributed amounts that retain their character as taxable dividends on shares of taxable Canadian corporations will be subject to the gross-up and tax credit rules in the Tax Act. To the extent that such distributed amounts are distributions of eligible dividends received by a Fund, the enhanced gross-up and tax credit will apply. You will generally be entitled to a tax credit for foreign taxes paid by a Fund in respect of your share of income from foreign sources, except to the extent the Fund has deducted the foreign taxes in computing its income.

If you receive distributions from a Fund that are in excess of your share of that Fund's net income and net realized capital gains (such as may be the case for the Monthly Income Fund), the excess will be treated as a return of capital. Return of capital represents a return to the investor of a portion of their own invested capital. You don't pay tax on a return of capital. Instead it reduces the ACB of your units. If the ACB of your units is reduced to less than zero you will be deemed to realize a capital gain equal to the negative amount and your ACB will be reset to nil.

You will be sent a tax slip each year that shows your share of the Funds' distributions of income and capital gains.

When you invest in a Fund (other than the Canadian Money Market Fund or the $U.S. Money Market Fund), the unit price may include accrued or realized income and/or capital gains which have not been distributed. You will have to include your share of a distribution of those amounts on your income tax return, even though the amounts were reflected in the purchase price for your units. This consideration may be particularly important if you invest in an equity fund late in the year.

The higher a Fund's portfolio turnover rate, the more frequently it realizes taxable capital gains and losses. This can result in investors receiving larger capital gains distributions than investors in a Fund with a lower portfolio turnover rate. There is an explanation of portfolio turnover rate under that heading on page 45.

You will have a capital gain if you redeem any units (including a redemption to switch Funds) for proceeds of disposition greater than the ACB of the units plus your costs to redeem the units. You will have a capital loss if you redeem the units for proceeds of disposition less than their ACB plus your costs to redeem the units. The proceeds of disposition on the redemption of units of a Fund do not include net realized gains, if any, that are distributed to you as part of the redemption amount. The redemption amount used to compute a capital gain or loss is net of the short-term trading fee. On your tax return, one half of a capital gain generally is included in your income, and one half of a capital loss generally may be offset against the taxable portion of any capital gains you realize. Allowable capital losses in excess of taxable capital gains may be carried back three years or forward indefinitely and applied against taxable capital gains realized in those earlier or later years, subject to the rules in the Tax Act. A re-designation of units of one series to units of another series of the same Fund will not result in a disposition for tax purposes.

The ACB of a unit is equal to the average ACB of all your identical units of the Fund. Generally, the aggregate ACB of all your identical units is equal to the total cost of units you have bought to that time (including units purchased by reinvesting distributions) minus the return of capital component of distributions and the ACB of units previously redeemed.

The cost to you of units of the $U.S. Money Market Fund is to be determined in Canadian dollars based on the exchange rate when you acquire units. The redemption amount for units is to be determined in Canadian dollars based on the exchange rate at the time of disposition. Consequently, you may realize a capital gain or loss on the redemption of units of this Fund as a result of fluctuations in the exchange rate between the Canadian dollar and the U.S. dollar.

In general, fees paid directly by you in respect of Series O units of the Funds held outside a registered plan should be deductible for income tax purposes to the extent that such fees are reasonable and represent fees for advice to you regarding the purchase or sale of units of the Funds or for services provided to you in respect of the administration or management of your units of the Funds. The portion of the fees that represents services provided by the manager to the Funds, rather than directly to you, is not deductible for income tax purposes. You should consult your own tax advisor with respect to the deductibility of fees in your own particular circumstances.

Individuals (including most trusts) are required to pay tax equal to the greater of tax determined under the ordinary rules and alternative minimum tax. Amounts distributed to you by a Fund that are taxable dividends from taxable Canadian corporations or net taxable capital gains, and capital gains realized on the redemption of your units, may increase your liability for alternative minimum tax.

Units held in registered plans

If you hold your units in a registered plan, the plan generally does not have to pay any taxes on income or capital gains. You generally do not have to pay taxes on these amounts until you withdraw your money from the plan. Any amount you withdraw from a registered plan (other than an RESP, RDSP, FHSA or TFSA) is fully taxable. Any amount withdrawn from an RESP or RDSP is generally taxable to the extent it is not a refund of contributions. Amounts withdrawn from a TFSA and "qualifying withdrawals" from a FHSA are not taxable.

Units of each Fund that is a mutual fund trust and/or a registered investment (expected to be all Funds) will be qualified investments under the Tax Act for registered plans. Units of a Fund will continue to be a qualified investment as long as the Fund is a mutual fund trust or a registered investment under the Tax Act. During the last year, there has been no change in the status of units of any Fund as a qualified investment.

Units of a Fund that you hold through a TFSA, FHSA, RRSP, RRIF, RDSP or RESP should not be a prohibited investment for such TFSA, FHSA, RRSP, RRIF, RDSP or RESP provided that you do not hold a significant interest in the Fund, and provided that you deal at arm's length with the Fund for purposes of the Tax Act. Generally, you will not be considered to have a significant interest in a Fund unless you own 10% or more of the value of the Fund's outstanding units, either alone or together with persons and partnerships with which you do not deal at arm's length. You should consult with your tax advisor regarding whether an investment in a Fund may be a prohibited investment for a TFSA, FHSA, RRSP, RRIF, RDSP or RESP in your particular circumstances.

International information reporting

Each of the Funds has due diligence and reporting obligations under the *Foreign Account Tax Compliance Act* (as implemented in Canada by the Canada-United States Enhanced Tax Information Exchange Agreement and Part XVIII of the Tax Act, collectively referred to as "FATCA") and the OECD's Common Reporting Standard (as implemented in Canada by Part XIX of the Tax Act, referred to as "CRS"). Generally, you will be required to provide your advisor or dealer with information related to your citizenship and tax residence, including your foreign taxpayer identification number, if applicable. If you are identified as a U.S. citizen (including a U.S. citizen living in Canada) or a foreign tax resident, or do not provide the required information and indicia of U.S. or non-Canadian status is present, information about you and your investment in a Fund will be reported to the CRA unless units are held within a registered plan other than a FHSA. The CRA will provide that information to the U.S. Internal Revenue Service (the "IRS") (in the case of U.S. citizens or tax residents) or the relevant tax authority of any country that is a signatory of the *Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information* or that has otherwise agreed to a bilateral information exchange with Canada.

The CRA and the Department of Finance have engaged with the IRS in relation to the possibility of exempting the FHSA from the due diligence and reporting obligations imposed under Part XVIII of the Tax Act. It is too early to confirm that bilateral agreement has been reached on this matter. The Department of Finance has also issued a comfort letter indicating that they are prepared to recommend that Part XIX of the Tax Act be amended to exempt the FHSA from the due diligence and reporting imposed under those rules.

What are your legal rights?

Under securities law in some provinces and territories, you have the right to:

› withdraw from your agreement to buy mutual funds within two business days after you receive a simplified prospectus or fund facts document, or

› 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 the simplified prospectus, fund facts document or financial statements contain a misrepresentation. You must act within the time limits set by law in the applicable province or territory.

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

Additional information

We perform investment advisory services for our clients as well as for certain investment funds that RBC GAM manages (collectively, "Accounts"). We make investment decisions for each Account dependent on the circumstances, investment objectives and guidelines of the specific Account. Our policy and practice is not to intentionally favour or disfavour any Account in the allocation of investment opportunities so that over a period of time, such opportunities will be allocated among Accounts on a fair basis. We may give advice and take action with respect to any Account that differs from the advice given to, or the action taken for, other Accounts. Our emphasis is on ensuring that all Accounts, through their portfolio managers, are given a fair opportunity to invest in a security that is appropriate for the specific Account. Each portfolio manager makes the final determination as to whether a particular investment opportunity is appropriate for the specific Account to which we provide investment advisory services.

To ensure efficient trade execution and a better price, when we engage in transactions for larger quantities of securities for a number of Accounts, we group the trade orders together for placement with securities dealers ("block trades"). The client's portfolio manager or the investment fund's manager, in advance of the order being placed with the securities dealers by us, determines the quantity of securities ordered for each Account. We set internal trade order submission deadlines for our portfolio managers for the purposes of making block trades. We use the *pro rata* method to allocate the price of the securities and the related commission costs for securities purchased or sold on a block basis whether or not an order is partially filled or fully filled. Therefore, all clients and funds participating in a block trade receive the same execution price and commission cost for that block trade.

If there is only a limited amount of an investment opportunity available, such as for an Initial Public Offering ("IPO"), we determine the level of interest of the firm's portfolio managers on behalf of each Account, establish the size of the trade order, and allocate fills of the order on a *pro rata* basis. In certain circumstances, such as when the quantity of the IPO security is too small to allocate across a number of clients or funds, we will allocate an IPO purchase to one or two investment funds managed by RBC GAM in order to maximize the number of clients able to participate in the purchase and will choose different investment funds for participation in the next IPO. Accounts that are considered proprietary to us because of their or their affiliates' interest in the Account are not permitted to participate in IPOs.

Exemptions and approvals

Set out below is a description of all exemptions from, or approvals in relation to, NI 81-102, obtained by the Funds or the Manager that continue to be relied on by the Funds or the Manager.

All Funds – Related issuer securities

Generally, the restrictions prevent a Fund from purchasing the securities of a related issuer. A Fund is permitted, however, to purchase the securities of a related issuer if the purchase is made on an exchange on which the securities are listed and traded. This means a Fund can purchase, for example, listed common and preferred shares. RBC GAM has received relief which permits a Fund to purchase debt securities of a related issuer, provided that:

(i) the purchase occurs in the secondary market;

(ii) the debt security has an approved credit rating by an approved credit rating organization; and

(iii) the price payable is not more than the ask price of the security determined as follows:

  (A) if the purchase occurs on a marketplace, in accordance with the requirements of the marketplace;

  (B) if the purchase does not occur on a marketplace,

    (1) the price at which an independent seller is willing to sell; or

    (2) not more than the price quoted publicly by an independent marketplace or obtained from an independent party.

RBC GAM has also received relief which permits a Fund to purchase debt securities of a related issuer (other than asset-backed securities), with a term to maturity of 365 days or more, offered in the primary market (i.e. from the issuer) (an "offering"), provided that:

(i) the size of the offering is at least $100 million;

(ii) at least two arm's-length purchasers collectively purchase at least 20% of the securities issued in the offering;

(iii) following the purchase, the Fund does not have more than 5% of its net assets invested in the debt securities of the issuer;

(iv) following the purchase, the Funds, together with other related funds offered under a prospectus, do not hold more than 20% of the securities issued in the offering; and

(v) the purchase price is no more than the lowest price paid by any arm's-length purchaser.

All Funds – Principal trading

Generally, the restrictions prevent a Fund from purchasing securities from or selling securities to a related party acting as principal. A Fund is, however, permitted to engage in such transactions if the bid and ask price are reported by any public quotation. A Fund is also permitted to purchase debt securities from or sell debt securities to another fund, subject to certain conditions in NI 81-102 and NI 81-107. RBC GAM has received relief which permits a Fund to purchase debt securities from or sell debt securities to a related party that is a principal dealer in the Canadian debt securities market and/or the international debt securities market, provided that:

(i) the transaction occurs in the secondary market;

(ii) the bid and ask price of the security must be determined by reference to a quote from an independent party if not publicly available;

(iii) a purchase must not be executed at a price higher than the ask price and a sale must not be executed at a price which is lower than the bid price; and

(iv) the transaction is subject to "market integrity requirements" as defined in Canadian securities legislation and any equivalent transparency and trade reporting requirements applicable to transactions in debt securities in international debt securities markets.

All Funds – Payment of a participating dealer's direct costs relating to cooperative marketing initiatives concerning financial planning matters

RBC GAM has obtained relief which permits it to pay to a participating dealer direct costs incurred by the participating dealer relating to a sales communication, investor conference or investor seminar prepared or presented by the participating dealer (collectively, the "Cooperative Marketing Initiatives") if the primary purpose of the Cooperative Marketing Initiative is to promote or provide educational information concerning investing in securities and investment, retirement, tax and estate planning (collectively, "Financial Planning") matters. This practice is permitted, provided that:

(i) RBC GAM otherwise complies with subsections 5.1(b) through (e) of NI 81-105;

(ii) RBC GAM does not require any participating dealer to sell any of the funds or other financial products to investors;

(iii) other than as permitted by NI 81-105, RBC GAM does not provide participating dealers and their representatives with any financial or other incentives for recommending any of the funds to investors;

(iv) the materials presented in a Cooperative Marketing Initiative concerning Financial Planning matters contain only general educational information regarding such matters;

(v) RBC GAM prepares or approves the content of the general educational information about Financial Planning matters presented in a Cooperative Marketing initiative it sponsors, and selects or approves an appropriately-qualified speaker for each presentation about such matters;

(vi) any general education information about Financial Planning matters presented in a Cooperative Marketing Initiative contains an express statement that the content presented is for information purposes only and is not providing advice to the attendees of the conference or seminar or the recipients of the sales communication, as applicable; and

(vii) any general educational information about Financial Planning matters presented in a Cooperative Marketing initiative contains an indication of the types of professionals who may generally be qualified to provide advice on the subject matter of the information presented.

All Funds – Related party underwriting

Generally, a Fund is prohibited from investing in securities in respect of which a related party has acted as underwriter during the distribution and for 60 days thereafter. A Fund is, however, permitted to purchase debt and equity securities in respect of which a related party has acted as underwriter if certain conditions in NI 81-102 are met, including, in respect of equity securities, that a prospectus is filed in respect of the securities. RBC GAM has received relief which permits a Fund to purchase equity securities where a prospectus has not been filed, provided that:

(i) the issuer is a reporting issuer in Canada; and

(ii) the conditions which apply to purchases where a prospectus has been filed are complied with.

RBC GAM has obtained relief which permits a Fund to purchase equity securities distributed in the United States and the United Kingdom, European Union, Switzerland, Norway, Australia, Hong Kong and Singapore (collectively, the "other jurisdictions") provided that:

(i) any related party that is involved in the distribution is regulated in respect of its underwriting activities in Canada, the United States or such other jurisdictions;

(ii) the securities issued in the distribution must be listed on a stock exchange and if the securities are acquired during the 60-day period after the distribution they are acquired on a stock exchange; and

(iii) the conditions which apply to the purchase of equity securities distributed in Canada in respect of which a related party has acted as underwriter are complied with.

RBC GAM has obtained relief which permits a Fund to purchase debt securities (other than asset-backed commercial paper) in respect of which a related party has acted as underwriter notwithstanding that the debt securities do not have a designated rating by a designated rating organization, provided that:

(i) at the time of each investment, the purchase is consistent with, or is necessary to meet, the investment objective of a Fund and represents the business judgment of RBC GAM and/or portfolio advisor of a Fund uninfluenced by considerations other than the best interests of that Fund or in fact is in the best interests of that Fund;

(ii) the manager of a Fund complies with section 5.1 of NI 81-107 and the manager and IRC of a Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the investment in the securities;

(iii) the IRC of a Fund has approved the transaction in accordance with section 5.2(2) of NI 81-107;

(iv) if the securities are acquired during the distribution,

    (A) at least one underwriter acting as underwriter in the distribution is not a related dealer;

    (B) at least one purchaser who is independent and arm's-length to the Fund and the related dealer must purchase at least 5% of the securities distributed under the distribution;

(C) the price paid for the securities by the Fund in the distribution shall be no higher than the lowest price paid by any of the arm's-length purchasers who participate in the distribution; and

(D) the Fund and any related funds offered under a prospectus for which RBC GAM or its affiliate or associate acts as manager and/or portfolio manager can collectively acquire no more than 50% of the securities distributed under the distribution in which a related dealer acts as underwriter;

(v) if the securities are acquired in the 60-day period,

(A) the ask price of the securities is readily available as provided in Commentary 7 to section 6.1 of NI 81-107;

(B) the price paid for the securities by a Fund is not higher than the available ask price of the security; and

(C) the purchase is subject to market integrity requirements as defined in NI 81-107.

Inter-fund trades

Under NI 81-102 and NI 81-107, the Funds are permitted to engage in certain inter-fund trades subject to certain conditions, including that the inter-fund trade be executed at the "current market price" of the security. RBC GAM has received relief which permits a Fund to engage in inter-fund trades executed, if the security is an exchange-traded security or a foreign exchange-traded security, at the last sale price, immediately before the trade is executed, on the exchange upon which the security is listed or quoted.

Pursuant to an exemptive relief order obtained on behalf of the Funds, subject to similar conditions, each Fund is permitted to engage in certain trades of portfolio securities with investment funds that are not subject to NI 81-107 and discretionary accounts managed by RBC GAM or related parties. This relief also permits inter-fund trades of mortgage securities provided such securities are acquired at a price that is equal to the net asset value of the security determined in accordance with National Policy Statement No. 29 – *Mutual Funds Investing in Mortgages*.

Independent Review Committee review

Appropriate records of the related party transactions described above (referred to, collectively, as "Related Party Trading Activities") must be maintained and, in certain cases, particulars must be filed with the securities regulatory authorities. In addition, the IRC must review and assess the adequacy and effectiveness of the policies and procedures of RBC GAM in respect of Related Party Trading Activities. The IRC and RBC GAM must act in accordance with the requirements of NI 81-107 in respect of standing instructions and reporting to securities regulatory authorities.

The IRC has approved standing instructions in respect of the Related Party Trading Activities. In accordance with the conditions of the applicable standing instructions of the IRC, the IRC reviews Related Party Trading Activities quarterly, with the exception of principal trading activities, which are reviewed at least annually. In its review, the IRC considers whether investment decisions in respect of Related Party Trading Activities:

- were made by RBC GAM in the best interests of the Fund and were free from any influence of Royal Bank and without taking into account any consideration relevant to Royal Bank or its associates or affiliates;
- were in compliance with the conditions of the policies and procedures of RBC GAM;
- were in compliance with the applicable standing instructions of the IRC; and
- achieved a fair and reasonable result for the Fund.

The IRC must advise the securities regulatory authorities if it determines that an investment decision in respect of any Related Party Trading Activity was not made in accordance with the foregoing requirements.

Additional information about the members of the IRC is disclosed under the heading *Independent review committee* on page 11.

All Funds (other than money market funds) – Derivative transactions

The Funds (other than money market funds) have received an exemption from the securities regulatory authorities to extend the category of investments that constitute cash cover for specified derivatives entered into by such Funds to include certain liquid fixed-income securities that have a remaining term to maturity of 365 days or less, floating rate securities that have an interest rate reset no later than every 185 days and securities of the RBC money market funds.

The Funds (other than money market funds) have received from the securities regulatory authorities an exemption from certain of the derivatives rules in NI 81-102, which allows such Funds, when they use derivative instruments, to use as cover when a Fund has a long position in a debt-like security that has a component that is a long position in a forward contract or in a standardized futures or forward contract or when a Fund has a right to receive payments under a swap: (i) cash cover in an amount that, together with margin on account for the specified derivative and the market value of the specified derivative, is not less than, on a daily mark-to-market basis, the underlying market exposure of the specified derivative; (ii) a right or obligation to sell an equivalent quantity of the underlying interest of the futures or forward contract, and cash cover that together with margin on account for the position, is not less than the amount, if any, by which the strike price of the futures or forward contract exceeds the strike price of the right or obligation to sell the underlying interest; (iii) a right or obligation to enter into an offsetting swap on an equivalent quantity and with an equivalent term and cash cover that together with margin on account for the position is not less than the aggregate amount, if any, of the obligations of the Fund under the swap less the obligations of the Fund under such offsetting swap; or (iv) a combination of the positions referred to in subparagraphs (i) and (ii) for debt-like securities with a long position in a forward or in a standardized futures or forward contract or of the positions referred to in subparagraphs (i) and (iii) in the case of a swap, that is sufficient, without recourse to other assets of the Fund, to enable the Fund to acquire the underlying interest of the futures or forward contract or satisfy its obligations under the swap.

All Funds – German exchange traded funds

RBC GAM has obtained relief which permits Funds whose investment objectives and strategies contemplate exposure to European equities to purchase securities of certain specified investment funds that are Undertakings for Collective Investment in Transferable Securities pursuant to the UCITS IV Directive (2009/65/EC), listed on the Frankfurt Stock Exchange and managed by BlackRock Asset Management Deutschland AG ("German ETFs"), provided that:

(i) the investment by a Fund in German ETFs is in accordance with the fundamental investment objectives of the Fund;

(ii) none of the German ETFs are synthetic exchange traded funds, meaning that they will not principally rely on an investment strategy that makes use of swaps or other derivatives to gain an indirect financial exposure to the return of an index;

(iii) the investment by a Fund in a German ETF otherwise complies with section 2.5 of NI 81-102;

(iv) a Fund does not invest more than 10% of its net asset value in securities issued by a single German ETF and does not invest more than 20% of its net asset value in securities issued by German ETFs in aggregate; and

(v) a Fund does not acquire any additional securities of a German ETF, and shall dispose of any securities of a German ETF then held, in the event the regulatory regime applicable to the German ETF is changed in any material way.

All Funds – United Kingdom listed exchange traded funds

RBC GAM has obtained relief which permits the Funds to purchase securities of certain specified investment funds that are Undertakings for Collective Investment in Transferable Securities pursuant to the UCITS IV Directive (2009/65/EC), listed on the London Stock Exchange and managed by BlackRock Asset Management Ireland Limited ("UK Listed ETFs"), provided that:

(i) the investment by a Fund in UK Listed ETFs is in accordance with the fundamental investment objectives of the Fund;

(ii) none of the UK Listed ETFs are synthetic exchange traded funds, meaning that they will not principally rely on an investment strategy that makes use of swaps or other derivatives to gain an indirect financial exposure to the return of an index;

(iii) the investment by a Fund in a UK Listed ETF otherwise complies with section 2.5 of NI 81-102;

(iv) a Fund does not invest more than 10% of its net asset value in securities issued by a single UK Listed ETF and does not invest more than 20% of its net asset value in securities issued by UK Listed ETFs in aggregate; and

(v) a Fund does not acquire any additional securities of a UK Listed ETF, and shall dispose of any securities of a UK Listed ETF then held, in the event the regulatory regime applicable to the UK Listed ETF is changed in any material way.

All Funds – RBC exchange traded funds

RBC GAM has obtained relief to permit the Funds to:

(a) purchase a security of an underlying exchange traded fund ("ETF") or enter into a specified derivatives transaction with respect to an underlying ETF even though, immediately after the transaction, more than 10% of the net asset value of the Fund would be invested, directly or indirectly, in the securities of the underlying ETF;

(b) to purchase securities of an underlying ETF such that, after the purchase, the Fund would hold securities representing more than 10% of: (i) the votes attaching to the outstanding voting securities of the underlying ETF; or (ii) the outstanding equity securities of the underlying ETF;

(c) invest in exchange-traded mutual funds that are not subject to National Instrument 81-101 *Mutual Fund Prospectus Disclosure*; and

(d) pay brokerage commissions in relation to its purchase and sale on a recognized exchange of exchange-traded mutual funds that are managed by RBC GAM or an affiliate of RBC GAM.

The practices described in paragraphs (a) to (d) above are permitted, provided that:

(i) a Fund does not short sell securities of an underlying ETF;

(ii) the underlying ETF does not rely on exemptive relief from: (A) the requirements of section 2.3 of NI 81-102 regarding the purchase of physical commodities; (B) the requirements of sections 2.7 and 2.8 of NI 81-102 regarding the purchase, sale or use of specified derivatives; or (C) subsections 2.6(a) or 2.6(b) of NI 81-102 with respect to the use of leverage;

(iii) each Fund and each underlying ETF is not a commodity pool governed by National Instrument 81-104 *Commodity Pools* and neither the Fund nor the underlying ETFs will use leverage;

(iv) in connection with the relief from subsection 2.1(1) of NI 81-102 allowing a Fund to invest more than 10% of its net asset value in the securities of an underlying ETF, the Fund shall, for each investment it makes in securities of an underlying ETF, apply subsections 2.1(3) and 2.1(4) of NI 81-102 as if those provisions applied to a Fund's investments in securities of an underlying ETF, and accordingly limit a Fund's indirect holdings in securities of an issuer held by one or more underlying ETFs to no more than 10% of the Fund's net asset value; and

(v) the relief from paragraphs 2.5(2)(e) and 2.5(2)(f) of NI 81-102 will only apply to the brokerage fees incurred for the purchase and sale of securities of underlying ETFs by the Fund.

All Funds – Currency forward contracts

RBC GAM has obtained relief which permits a Fund to enter into and maintain a currency forward contract (an "FX Forward Contract") in which a Fund delivers its currency in which it determines its net asset value (the "Base Currency") and receives another currency, without the requirement to comply with the cash cover requirements in section 2.8(1)(d) of NI 81-102, provided that:

(i) the use of FX Forward Contracts is consistent with the fundamental investment objectives and investment strategies of the applicable Fund;

(ii) a Fund must not enter into an FX Forward Contract if, immediately after entering into an FX Forward Contract, the aggregate amount of a Fund's Base Currency to be delivered under all FX Forward Contracts (the "Aggregate Amount") would exceed the value of the assets held by the Fund that are denominated in its Base Currency (the "Base Currency Holdings"); and

(iii) if a Fund's Aggregate Amount exceeds at any time the value of its Base Currency Holdings, the Fund must, as quickly as commercially reasonable, take all necessary steps to reduce the Aggregate Amount to an amount that does not exceed the value of its Base Currency Holdings.

All Funds – Principal trading in mortgages

RBC GAM has obtained relief which permits the Funds to purchase or sell Canadian or U.S. commercial mortgages from or to a related party, provided that:

(i) the purchase or sale shall be consistent with the investment objective(s) of the Fund;

(ii) the IRC of a Fund has approved the transaction in accordance with section 5.2(2) of NI 81-107;

(iii) RBC GAM, in respect of any sale or purchase made by a Fund, complies with section 5.1 of NI 81-107 and RBC GAM and the IRC of a Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with sale or purchase of a mortgage;

(iv) RBC GAM receives no remuneration with respect to the purchase or sale by a Fund, and with respect to the delivery of a mortgage, the only expenses which will be incurred by a Fund will be nominal administrative charges levied by the custodian of the Fund, any charges ordinarily incurred in transferring the mortgages, if applicable, and any servicing fees of the mortgages thereafter;

(v) each mortgage purchased by a Fund from a related party or sold to a related party by a Fund is valued by an independent and reputable firm that specializes in the valuation of commercial mortgages or that provides valuation services by professionals who are active members of the Canadian Institute of Chartered Business Valuators, at a price determined in accordance with the provisions of section III(2)(2.4) of National Policy 29 Mutual Funds Investing in Mortgages;

(vi) following the purchase by a Fund, other than the Phillips Hager & North Short Term Bond & Mortgage Fund, such Fund does not hold more than 10% of its net asset value in mortgages purchased from a related party;

(vii) following the purchase by the Phillips Hager & North Short Term Bond & Mortgage Fund, that Fund does not hold more that 40% of its net asset value in mortgages purchased from a related party;

(viii) the financial statements of the Fund present the mortgages at fair value as defined in IFRS 13 *Fair Value Measurement*, as the same may be amended or replaced from time to time;

(ix) each Fund will keep written records that include details of the mortgages received or delivered by the Fund and the value assigned to such mortgages for a period of five years following the end of the financial year in which the mortgage was received or delivered by the Fund; and

(x) this simplified prospectus will include a summary of the nature and terms of this relief, including (a) that purchases and/or sales of mortgages between a Fund and RBC may occur from time to time, (b) how the price in respect of any sale or purchase in (a) above will be determined; and (c) the valuation procedure that will be undertaken in respect of any sale or purchase described in (a) above.

Rules for determining the price of acquiring and selling a mortgage

When a Fund acquires a mortgage from a mortgage lender that is not associated with us or the Funds, the mortgage is acquired at a principal amount that produces at least the yield prevailing for the sale of comparable mortgages by major mortgage lenders under similar conditions.

When a Fund acquires mortgages from a mortgage lender that is associated with us or the Funds, it can use one of the following three methods for valuing the mortgage:

1. *Lender's rate method* – The mortgage is acquired at a principal amount which produces a yield equal to the interest rate for similar mortgages offered by the lending institution at the time the Fund acquires the mortgage.
2. *Forward commitment rate method* – The mortgage is acquired at a principal amount which produces a yield equal to the interest rate for similar mortgages offered by the lending institution on the date of commitment. The date of commitment cannot be more than 120 days before the date the Fund acquires the mortgage.
3. *Modified lender's rate method* – The mortgage is acquired at a principal amount which produces a yield of not more than 0.25% below the interest rate for similar mortgages offered by the lending institution at the time the Fund acquires the mortgage (the amount of this reduced yield is referred to as a "guarantee fee"). A provision of this method is that the lending institution must agree to repurchase the mortgage from the Fund when it benefits the Fund, and we must consider this agreement to justify the difference in the yield.

Each of these valuation methods produces a different mortgage yield:

› The lender's rate method and the forward commitment rate method produce the same yield where there has been no change in the interest rate charged to mortgagors within the 120-day period.

› The forward commitment rate method will result in a lower yield than the lender's rate method where interest rates have increased during the 120-day period.

› The lender's rate method will result in a lower yield than the forward commitment rate method where interest rates have declined during the 120-day period.

- The modified lender's rate method will result in a lower yield than the lender's rate method in all cases.
- The modified lender's rate method will result in a higher yield than the forward commitment rate method where interest rates have increased by an amount which is more than the amount of the guarantee fee during the 120-day period.
- The modified lender's rate method will produce a lower yield than the forward commitment rate yield where there has been no change in the interest rate, where the interest rate has declined during the 120-day period or where the interest rate has increased during such period by less than the guarantee fee.

Each Fund acquires and sells mortgages using the lender's rate method when acquiring mortgages from a mortgage lender that is associated with us or the Funds. If we wanted to use one of the other two methods, we would have to get approval from the authorities responsible for regulating securities to make this change.

How we determine the fair value of mortgages

We use the following principles to determine the fair value of mortgages in a Fund's portfolio:

- We determine a principal amount that produces a yield equal to the yield of mortgages sold by major lending institutions, if this is known on the valuation day, or that is equal to or not less than 0.25% below the interest rate for comparable mortgages on the valuation day. Mortgages are valued by an independent third party.
- For any mortgages that go into arrears, we use the lower of the face value or fair value as determined by a third-party valuation.

All Funds – Rule 144A Securities

RBC GAM has obtained relief which permits Funds to purchase and hold fixed income securities that qualify for, and may be traded pursuant to, the exemption from the registration requirements of the Securities Act of 1933, as amended (the "U.S. Securities Act"), as set out in Rule 144A of the U.S. Securities Act (the "Rule 144A Securities"), provided that:

(i) the Fund is a "qualified institutional buyer" at the time of purchase, as such term is defined in the U.S. Securities Act;

(ii) the Rule 144A Securities are not portfolio assets that cannot be readily disposed of through market facilities on which public quotations in common use are widely available at an amount that at least approximates the amount at which the portfolio assets are valued in calculating the net asset value per security of the investment fund; and

(iii) the Rule 144A Securities are traded on a mature and liquid market.

Certificate of the Funds, Manager, Promoter and Principal Distributor

June 26, 2023

This Simplified Prospectus and the documents incorporated by reference into the Simplified Prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as required by the securities legislation of each of the provinces and territories of Canada and do not contain any misrepresentations.

Phillips, Hager & North Canadian Money Market Fund
Phillips, Hager & North $U.S. Money Market Fund
Phillips, Hager & North Short Term Bond & Mortgage Fund
Phillips, Hager & North Bond Fund
Phillips, Hager & North Total Return Bond Fund
Phillips, Hager & North Inflation-Linked Bond Fund
Phillips, Hager & North High Yield Bond Fund
Phillips, Hager & North Long Inflation-linked Bond Fund
Phillips, Hager & North Monthly Income Fund
Phillips, Hager & North Balanced Fund
Phillips, Hager & North Dividend Income Fund
Phillips, Hager & North Canadian Equity Fund
Phillips, Hager & North Canadian Equity Value Fund
Phillips, Hager & North Conservative Equity Income Fund
Phillips, Hager & North Canadian Equity Underlying Fund
Phillips, Hager & North Canadian Equity Underlying Fund II
Phillips, Hager & North Canadian Growth Fund
Phillips, Hager & North Canadian Income Fund
Phillips, Hager & North Vintage Fund
Phillips, Hager & North Small Float Fund
Phillips, Hager & North U.S. Dividend Income Fund
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund
Phillips, Hager & North U.S. Equity Fund
Phillips, Hager & North Currency-Hedged U.S. Equity Fund
Phillips, Hager & North U.S. Growth Fund
Phillips, Hager & North Overseas Equity Fund
Phillips, Hager & North Currency-Hedged Overseas Equity Fund
Phillips, Hager & North Global Equity Fund
Phillips, Hager & North LifeTime 2015 Fund
Phillips, Hager & North LifeTime 2020 Fund
Phillips, Hager & North LifeTime 2025 Fund
Phillips, Hager & North LifeTime 2030 Fund
Phillips, Hager & North LifeTime 2035 Fund
Phillips, Hager & North LifeTime 2040 Fund
Phillips, Hager & North LifeTime 2045 Fund
Phillips, Hager & North LifeTime 2050 Fund
Phillips, Hager & North LifeTime 2055 Fund
Phillips, Hager & North LifeTime 2060 Fund
Phillips, Hager & North Conservative Pension Trust
Phillips, Hager & North Balanced Pension Trust
Phillips, Hager & North Growth Pension Trust
Phillips, Hager & North Canadian Equity Pension Trust
Phillips, Hager & North Canadian Equity Plus Pension Trust

(collectively, the "Funds")

RBC Global Asset Management Inc., on behalf of the Funds, and in its capacity as manager and promoter of the Funds and in its capacity as principal distributor of all series except for Series D and Series DZ units of the Funds.

"Damon G. Williams"	*"Heidi Johnston"*
Damon G. Williams Chief Executive Officer	Heidi Johnston Chief Financial Officer, RBC GAM Funds

On behalf of the Board of Directors of RBC Global Asset Management Inc., on behalf of the Funds, and in its capacity as manager and promoter of the Funds and in its capacity as principal distributor of all series except for Series D and Series DZ units of the Funds.

"Douglas Coulter"	*"Daniel E. Chornous"*
Douglas Coulter Director	Daniel E. Chornous Director

Certificate of Principal Distributor

June 26, 2023

To the best of our knowledge, information and belief, this Simplified Prospectus and the documents incorporated by reference into the Simplified Prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the Simplified Prospectus, as required by the securities legislation of all of the provinces and territories of Canada and do not contain any misrepresentations.

Phillips, Hager & North Canadian Money Market Fund
Phillips, Hager & North $U.S. Money Market Fund
Phillips, Hager & North Short Term Bond & Mortgage Fund
Phillips, Hager & North Bond Fund
Phillips, Hager & North Total Return Bond Fund
Phillips, Hager & North Inflation-Linked Bond Fund
Phillips, Hager & North High Yield Bond Fund
Phillips, Hager & North Monthly Income Fund
Phillips, Hager & North Balanced Fund
Phillips, Hager & North Dividend Income Fund
Phillips, Hager & North Canadian Equity Fund
Phillips, Hager & North Canadian Equity Value Fund
Phillips, Hager & North Canadian Growth Fund
Phillips, Hager & North Canadian Income Fund
Phillips, Hager & North Vintage Fund
Phillips, Hager & North Small Float Fund
Phillips, Hager & North U.S. Dividend Income Fund
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund
Phillips, Hager & North U.S. Equity Fund
Phillips, Hager & North Currency-Hedged U.S. Equity Fund
Phillips, Hager & North U.S. Growth Fund
Phillips, Hager & North Overseas Equity Fund
Phillips, Hager & North Currency-Hedged Overseas Equity Fund
Phillips, Hager & North Global Equity Fund
Phillips, Hager & North LifeTime 2015 Fund
Phillips, Hager & North LifeTime 2020 Fund
Phillips, Hager & North LifeTime 2025 Fund
Phillips, Hager & North LifeTime 2030 Fund
Phillips, Hager & North LifeTime 2035 Fund
Phillips, Hager & North LifeTime 2040 Fund
Phillips, Hager & North LifeTime 2045 Fund
Phillips, Hager & North LifeTime 2050 Fund
Phillips, Hager & North LifeTime 2055 Fund
Phillips, Hager & North LifeTime 2060 Fund

(collectively, the “Funds”)

Phillips, Hager & North Investment Funds Ltd., in its capacity as principal distributor of Series D and Series DZ units of the Funds.

“Mark Neill”

Mark Neill
President

Specific information about each of the mutual funds described in this document

What is a mutual fund and what are the risks of investing in a mutual fund?

What is a mutual fund?

A mutual fund is a pool of investments made on behalf of people with similar investment objectives. When you invest in a fund, you are combining your money with that of many other investors. We use this pool of money to buy a wide variety of investments on behalf of the entire group of investors. We follow a set of guidelines outlined in the investment objectives and investment strategies of each Fund. You can find these later in this Simplified Prospectus. You and all the other investors share in any profits or losses the mutual fund makes.

Each Fund is organized as a trust and sold in units, which are issued in series. Each unit of a series represents an undivided share of the Fund's net assets, equal to the share of every other unit of the series. There is no limit to the number of units each Fund can issue. However, certain Funds may be closed to new investors from time to time.

Explanatory information

Portfolio turnover rate

The portfolio turnover rate indicates how actively the Fund's portfolio manager manages the Fund's investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. In any year, the higher a Fund's portfolio turnover rate, the greater the trading costs payable by the Fund and the larger the capital gains distributions may be. There is not necessarily a relationship between a high portfolio turnover rate and the performance of a Fund. For information about the potential tax consequences that a high portfolio turnover rate may have on a Fund and on investors, see the section called *Units held in non-registered accounts* on page 33.

How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions

The Funds may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions in accordance with applicable securities legislation. We have agreed to provide at least six months' notice (or as otherwise required by applicable securities legislation) to unitholders prior to commencing these transactions unless disclosure had been provided in the Simplified Prospectus of a Fund that the Fund may participate in such transactions when the Fund first became a reporting issuer.

A securities lending transaction occurs when a Fund lends portfolio securities that it owns to a creditworthy institutional borrower. The borrower promises to return to the Fund, at a later date, an equal number or amount of the same securities and to pay a fee to the Fund for borrowing the securities. The Fund may recall the securities at any time. The borrower provides the Fund with collateral consisting of cash and/or securities or non-cash collateral equal to no less than 102% of the market value of the loaned securities measured each business day. Therefore, the Fund retains exposure to changes in the value of the securities loaned while earning additional income.

A repurchase transaction occurs when a Fund sells portfolio securities that it owns to a creditworthy institution for cash and simultaneously agrees to buy back the securities at a later date not to exceed 30 days. The amount of cash maintained by the Fund for the transaction is at least 102% of the market value of the sold securities measured each business day. The Fund retains its exposure to changes in the value of the sold securities, but also earns additional income for participation in the repurchase transaction.

In securities lending and repurchase transactions, a Fund receives any interest or dividends paid by the issuer of the securities while those securities are held by the other party to the transaction.

A reverse repurchase transaction occurs when a Fund purchases portfolio securities from a creditworthy institution and simultaneously agrees to sell the securities back to the institution at a later date not to exceed 30 days. The difference between the Fund's purchase price for the securities and the resale price may provide the Fund with additional income. The basic purpose is to provide a Fund with short-term investment income for cash held by the Fund.

A Fund will not enter into a securities lending transaction or a repurchase transaction if, immediately thereafter, the aggregate market value of all securities loaned by the Fund and not yet returned to it, or sold by the Fund in repurchase transactions and not yet repurchased, would exceed 50% of the total assets of the Fund (exclusive of collateral held by the Fund for securities lending transactions and cash held by the Fund for repurchase transactions).

RBC IS or another custodian or sub-custodian of the Funds will act as the agent for the Funds in administering the securities lending, repurchase and reverse repurchase transactions of the Funds in accordance with an agency agreement. The risks associated with these transactions will be managed by requiring that the Funds' agent enter into such transactions, including negotiating agreements, with reputable and well-established Canadian and foreign brokers, dealers and institutions ("counterparties"). The agent will maintain internal controls, procedures and records, including a list of approved counterparties based on generally accepted creditworthiness standards, transaction and credit limits for each counterparty, and collateral diversification standards.

What are the risks of investing in a mutual fund?

There is no such thing as risk-free investing. For investors, risk is the possibility of losing money or not making any money. The same is true with mutual funds. The value of a mutual fund may change every day, reflecting changes in interest rates, economic conditions, and market and company news. Therefore, when you redeem your units in a mutual fund, you may receive less than the full amount you originally invested. The full amount of your investment in a mutual fund is not guaranteed and the Funds do not guarantee your principal or any level of income at any point including before or after the "target date" for the PH&N LifeTime Funds. Unlike bank accounts or guaranteed investment certificates, mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

One risk of a mutual fund is that, in exceptional circumstances, the fund manager may not accept requests to redeem units of the fund, or the delivery of your redemption proceeds may be delayed. These circumstances in the context of the Funds are explained under the heading *Purchases, switches and redemptions* on page 18.

Mutual funds own different types of investments, depending on the fund's investment objectives. The principal risks associated with a mutual fund are the same risks that affect the value of the investments held by that fund.

The total effect of the different types of risk is measured by volatility. Volatility measures how variable the value of a fund is relative to its average return. The value of some funds will change very little over time while others will change substantially.

It is very important that you be aware of the risks associated with the different funds you invest in, their relative return over time and their volatility.

Specific risks in respect of the Funds

The value of mutual funds, like the Funds, can change from day to day because the value of the securities in which they invest can be affected by changes in interest rates, the economy, financial markets or company news. As a result, when you redeem your mutual fund units, they may be worth more or less than when you bought them.

The risks outlined below are some of the most common risks associated with investing in the Funds, with the specific risks being enumerated under each Fund description in the section *Specific information about each of the mutual funds described in this document* beginning on page 45. Any reference to a Fund in this section is intended to also refer to the securities of the Underlying Funds that a Fund may invest in.

The specific risks that may be associated with investing in the Funds are described below in alphabetical order.

Capital erosion risk

If markets fell substantially and did not recover for a significant period, the net asset value of a mutual fund like one of the Funds would likely drop in line with the market decline. A long-term decline in net asset value may force us to temporarily reduce distributions in an attempt to return the net asset value closer to the initial unit price to avoid a significant erosion of capital and a long-term effect on the Fund's ability to generate income. Erosion of capital may also occur during the year if distributions of a particular series exceed a mutual fund's income for that series.

Concentration risk

There are risks associated with any mutual fund like one of the Funds that concentrates its investments in a particular issuer or issuers. Concentrating investments allows a mutual fund to focus on a particular issuer's potential, but it also means that the value of the mutual fund tends to be more volatile than the value of a more diversified fund because the concentrated fund's value is affected more by the performance of that particular issuer.

Credit risk

Credit risk is the possibility that a borrower or issuer, or the counterparty to a derivatives contract, repurchase agreement or reverse repurchase agreement, is unable or unwilling to repay the loan, obligation or interest payment, either on time or at all. A mutual fund like one of the Funds can lose money if the borrower or the issuer of a bond or other fixed-income security can't pay interest or repay principal when it's due.

The debt securities issued by companies, governments and special purpose vehicles (such as vehicles that issue asset-backed securities or mortgage-backed securities) that act as a counterparty or borrow money are often rated by specialized rating agencies. Debt securities issued by companies or governments in emerging markets often have higher credit risk (lower rated debt), while debt securities issued by well-established companies or by governments of developed countries tend to have lower credit risk (higher rated debt). A downgrade in an issuer's credit rating or other adverse news regarding an issuer can influence a debt security's market value. There is no guarantee that third-party credit ratings represent an accurate assessment of the risk of owning a particular issuer's securities. If a rating agency has given a higher rating to an issuer's securities than those securities inherently deserve, the value of the securities may decrease substantially as the market becomes aware of the issuer's true risk. Other factors can also influence a debt security's market value or the ability of an issuer to pay interest or repay principal when due, such as a change in the market perception of the creditworthiness of the security, the parties involved in structuring the security, and the underlying assets or collateral, if any. Lower rated and unrated debt instruments generally offer a better return than higher grade debt instruments but have the potential for substantial loss. Funds that invest in companies or markets with higher credit risk tend to be more volatile in the short term. However, they may offer the potential of higher returns over the long term.

A credit spread is the difference between interest rates payable on an issuer's fixed-income security and a government-issued fixed-income security that are as identical as possible except for the credit rating. If the market determines that a higher return is necessary to compensate for the higher risk of a lower rated fixed-income security, the credit spread will increase. If a credit spread increases after the purchase of a fixed-income security, the value of that security will decrease.

Currency risk

Most Canadian mutual funds are valued in Canadian dollars. However, mutual funds, like the Funds, that purchase foreign securities may be required to pay for such securities using a foreign currency and receive a foreign currency when they sell them. Such mutual funds may also purchase foreign currencies as investments. As a result, changes in the value of the Canadian dollar compared to foreign currencies will affect the value, in Canadian dollars, of any foreign securities or foreign currencies in a mutual fund. For example, if the Canadian dollar rises relative to the U.S. dollar, a fund's U.S. holdings will be worth fewer Canadian dollars. This decline in value may reduce, or even eliminate, any return the mutual fund has earned. Currency exposure may increase the volatility of foreign investments relative to Canadian investments. Some mutual funds may hedge (protect against) the risk of changes in foreign currency exchange rates of the underlying assets of the mutual fund.

For mutual funds denominated in U.S. dollars

The CRA requires that capital gains and losses be reported in Canadian dollars. As a result, when you redeem units in a U.S.-dollar-denominated mutual fund, you need to calculate gains or losses based on the Canadian dollar value of your units when they were purchased and when they were sold. Additionally, although U.S.-dollar-denominated mutual funds distribute any income in U.S. dollars, it must be reported in Canadian dollars for Canadian tax purposes. Consequently, all investment income will be reported to you in Canadian dollars for income tax purposes.

In each of the cases above, changes in the value of the Canadian dollar relative to the U.S. dollar may affect your income tax payable. You may want to consult your tax advisor.

Cyber security risk

As the use of technology has become more prevalent in the course of business, mutual funds, like the Funds, have become potentially more susceptible to operational risks through breaches in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause a Fund to lose proprietary information or other information subject to privacy laws, suffer data corruption, or lose operational capacity. This in turn could cause a Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security breaches may involve unauthorized access to a Fund's digital information systems (e.g. through "hacking" or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e. efforts to make network services unavailable to intended users). In addition, cyber security breaches of a Fund's third-party service providers (e.g. administrators, transfer agents, custodians and sub-advisors) or of issuers that a Fund invests in can also subject a Fund to many of the same risks associated with direct cyber security breaches. Like with operational risk in general, the Funds have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed, especially since the Funds do not directly control the cyber security systems of issuers or third-party service providers.

Derivatives risk

A derivative is a type of investment whose value is derived from the performance of other investments or from the movement of interest rates, exchange rates or market indices.

Certain mutual funds, like the Funds, may use derivatives as permitted by the Canadian Securities Administrators as long as their use is compatible with the individual Fund's investment objectives. **A Fund cannot use derivatives for speculative trading or to create a portfolio with excess leverage.** If a Fund uses derivatives, securities regulations require that the Fund hold enough assets or cash to cover its commitments in the derivative contracts. This limits the amount of losses that could result from the use of derivatives.

There are many different types of derivatives – they usually take the form of a contract to buy or sell a specific commodity, currency, stock or market index.

The most common types of derivatives are:

- a futures or forward contract – these are agreements made today to buy or sell a particular currency, security or market index on a specific day in the future at a specified price;
- an option contract – these are agreements that give the buyer the right, but not the obligation, to buy or sell certain securities within a certain time period, at a specified price; and
- a swap agreement – these are negotiated contracts between parties agreeing to exchange payments based on returns of different investments. Interest rate swaps are a common type of swap agreement. Interest rate swaps are often structured so that Party A agrees to pay Party B a fixed amount based on a pre-set interest rate. In return, Party B agrees to pay Party A a floating amount based on a reference rate such as bankers acceptances or the Secured Overnight Financing Rate ("SOFR") as applicable.

Derivatives have their own special risks. Here are some of the common ones:

- Using derivatives for hedging may not always work and it could limit a mutual fund's potential to make a gain.
- Using derivatives for non-hedging does not protect a mutual fund from a decline in the value of the underlying security, currency or market for which the derivative is a substitute.
- Costs relating to entering into, maintaining and unwinding derivatives contracts may reduce the returns of a mutual fund.
- The price of a derivative may not accurately reflect the value of the underlying currency or security.
- There is no guarantee that a mutual fund can close out a derivative contract when it wants to. If, for example, a stock exchange imposes trading limits, it could affect the ability of a mutual fund to close out its position in derivatives. This type of event could prevent a mutual fund from making a profit or limiting its losses.
- Derivatives traded on foreign markets may be harder to trade and have higher credit risks than derivatives traded in North America.
- The other party to a derivative contract, known as the counterparty, may not be able to meet its obligation to complete the transaction. In general, credit ratings are relied on as indications of the ability of the other party to live up to its agreement. In the event of the bankruptcy or insolvency of the counterparty, collateral posted by the mutual fund to secure obligations of the fund pursuant to derivatives contracts may be difficult to recover. During the recovery process, the collateral posted may fluctuate in value.

ESG integration risk

A Fund or an Underlying Fund may integrate material environmental, social and governance ("ESG") factors as a component of its investment process from time to time as described under *Specific information about each of the mutual funds described in this document – Investment considerations – Responsible investment*. These considerations will vary by investment teams as each team has developed its own methods to integrate material ESG factors into their investment analysis and decision making, where applicable. ESG considerations may affect the exposure of a Fund or an Underlying Fund to certain issuers or industries and a Fund or an Underlying Fund may forgo certain investment opportunities. There is no assurance that the integration of material ESG factors will positively contribute to the long-term performance of a Fund or an Underlying Fund.

RBC GAM's determination of the ESG criteria to apply, and the assessment of the ESG characteristics of an issuer or industry, may differ from the criteria or assessment applied by other investors. As a result, the Funds or Underlying Funds may invest in issuers that do not reflect what may be considered to be positive ESG characteristics or ESG values of any particular investor. Moreover, the methodology used to integrate material ESG factors may not eliminate the possibility of a Fund or an Underlying Fund having exposure to issuers that exhibit negative ESG characteristics, and may change over time.

Funds or Underlying Funds may use third-party research as well as proprietary research to evaluate the ESG characteristics, risks and opportunities regarding an issuer. Such research information and data may be incomplete, inaccurate or unavailable, resulting in incorrect assessments of the ESG practices of an issuer. Legislative and regulatory changes, market developments and/or changes in data availability and reliability could also materially affect the quality and comparability of such research information and data.

Foreign investment risk

Foreign investments are affected by global economic factors. There is often less information available about foreign companies and many countries have less stringent accounting, auditing and reporting standards than we do in Canada, or lower standards of government supervision and regulation. Some foreign stock markets have less trading volume, which may make it more difficult to sell an investment or may make prices more volatile. Certain countries may also have foreign investment or exchange laws that make it difficult to sell an investment or may impose withholding or other taxes that could reduce the return on the investment. Different financial, political and social factors could hurt the value of foreign investments. Investments in foreign markets may be subject to change in currency exchange rates, the imposition of taxes or the expropriation of assets. A mutual fund like one of the Funds that specializes in foreign investments may experience larger or more frequent price changes in the short term. The risks of foreign investments are generally higher in emerging markets.

Income trust risk

Income trusts generally hold debt and/or equity securities of an underlying active business or are entitled to receive a royalty on revenues generated by such a business. To the extent that an underlying business is susceptible to industry risks, interest rate fluctuations, commodity prices and other economic factors, investment returns from an income trust may be similarly affected. Although distributions and returns are neither fixed nor guaranteed, income trusts are structured in part to provide a constant stream of income to investors. As a result, an investment in an income trust may be subject to interest rate risk. There is also a remote risk that where claims against an income trust are not satisfied by that trust, investors in that trust could be held liable for any outstanding obligations.

Interest rate risk

If a mutual fund, like one of the Funds, invests primarily in bonds and other fixed-income securities, a significant influence on the mutual fund's value will be changes in the general level of interest rates. If interest rates fall, the value of the mutual fund's units will tend to rise. If interest rates rise, the value of the mutual fund's units will tend to fall. Depending on a mutual fund's holdings, short-term interest rates can have a different influence on a mutual fund's value than long-term interest rates. If a mutual fund like one of the Funds invests primarily in bonds and other fixed-income securities with longer-term maturities, the biggest influence on the mutual fund's value will be changes in the general level of long-term interest rates. If a mutual fund invests primarily in bonds and other fixed-income securities with shorter-term maturities, the biggest influence on the mutual fund's value will be changes in the general level of shorter-term interest rates. If you are seeking current income, you should be aware that the level of interest income from a money market fund will fluctuate as short-term interest rates vary.

Large investor risk

The securities of a mutual fund like one of the Funds, including an Underlying Fund, may be held in significant percentages by an investor, including another mutual fund. In order to meet purchase and redemption requests by the investor, the mutual fund may have to alter its holdings significantly and purchase or sell investments at unfavourable prices and incur capital gains and transaction costs. This can reduce the returns of the mutual fund. The Fund descriptions disclose if any investor held units representing a significant percentage (more than 10%) of the net asset value of a Fund as at May 31, 2023.

If a Fund experiences a "loss restriction event": (i) the Fund will be deemed to have a year-end for tax purposes; and (ii) the Fund will become subject to the loss restriction rules generally applicable to corporations that experience an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on their ability to carry forward losses. Generally, a Fund will be subject to a loss restriction event when a person becomes a "majority-interest beneficiary" of the Fund, or a group of persons becomes a "majority-interest group of beneficiaries" of the Fund, as those terms are defined in the affiliated persons rules contained in the Tax Act, with appropriate modifications. Generally, a majority-interest beneficiary of a Fund will be a beneficiary who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, respectively, in the Fund. Generally, a person is deemed not to become a majority-interest beneficiary, and a group of persons is deemed not to become a majority-interest group of beneficiaries, of a Fund if the Fund meets certain investment requirements and qualifies as an "investment fund" under the rules.

Liquidity risk

Liquidity refers to the speed and ease with which an asset can be sold and converted into cash. Most securities owned by mutual funds like one of the Funds can be sold easily and at a fair price. Under certain circumstances, such as in periods of sudden interest rate changes and/or market disruptions, an issuer default or a foreign jurisdiction holiday, certain securities may become less liquid, which means they cannot be sold as quickly or easily. Some securities may be illiquid because of legal restrictions, the nature of the investment, or certain features like guarantees or a lack of buyers interested in the particular security or market. The absence of liquidity may result in securities sold at a loss or reduced return for a Fund.

Market risk

Market risk is the risk of being invested in the equity and fixed-income markets. The market value of a mutual fund's investments will rise and fall based on specific issuer developments and broader equity or fixed-income market conditions including but not limited to war and occupation, terrorism, geopolitics, health crises, natural disasters, climate change and civil unrest. Market value will also vary with changes in the general economic and financial conditions in countries or sectors in which the investments are based (whether as a result of political, social or environmental changes or otherwise).

Multiple series risk

Most of the Funds are available for purchase in more than one series of units. Each series has its own fees and expenses, which are tracked separately. Those expenses will be deducted in calculating the unit value for that series, thereby reducing its unit value. If one series is unable to pay its expenses or liabilities, the assets of the other series will be used to pay those expenses or liabilities. As a result, the unit price of the other series may also be reduced. Please see *Purchases, switches and redemptions* on page 18 and *Fees and expenses* on page 27 for more information regarding each series and how its unit value is calculated.

Securities lending, repurchase and reverse repurchase risk

There are risks associated with securities lending transactions, repurchase transactions and reverse repurchase transactions. The value of securities loaned under a securities lending transaction or sold under a repurchase transaction may exceed the value of the collateral held by a mutual fund like one of the Funds. If there is a default on an obligation to repay or resell the securities to the mutual fund, the collateral may be insufficient to enable the mutual fund to purchase replacement securities and the mutual fund may suffer a loss for the difference and/or experience delays in receiving payment. Similarly, the value of securities purchased by a mutual fund under a reverse repurchase transaction may decline below the amount of cash paid by the mutual fund. If there is a default on an obligation to repurchase the securities from the mutual fund, the mutual fund may need to sell the securities for a lower price and suffer a loss for the difference.

For more information about how the Funds may engage in these transactions, please see the section called *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

Small capitalization risk

Securities of small capitalization companies tend to be traded less frequently and in smaller volumes than those of large capitalization companies. As a result, the prices of shares of small cap companies tend to be less stable than those of large cap companies. Their value may rise and fall more sharply than other securities, and they may be more difficult to buy and sell.

Specialization risk

Some mutual funds specialize by investing in a particular sector of the economy or part of the world or by using a specific investment style or approach, like growth, value or socially responsible investing. Specialization allows a mutual fund like one of the Funds to focus on a specific investment approach, which can boost returns if the particular sector, country or investment style is in favour. However, if the particular sector, country or investment style is out of favour, the value of the mutual fund may underperform relative to less specialized investments. Mutual funds that specialize tend to be less diversified but may add diversification benefits to portfolios that do not otherwise have exposure to this specialization.

Target date funds risk

The LifeTime Funds are not intended to be a complete solution for an investor's retirement income needs. Investors must weigh several factors when considering investing in the LifeTime Funds, including how much an investor will need, how long the investor will need it for, and what other sources of income the investor will have.

While the LifeTime Funds adjust their asset mix relative to their target date, diversification and strategic asset allocation do not guarantee profit or protect against loss in declining markets. All investments, including an investment in the LifeTime Funds, carry some level of risk, including the potential loss of principal invested. Further, the investments of the LifeTime Funds do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

Please see *The PH&N LifeTime Funds* on page 54, as well as each LifeTime Fund's *Fund details* for a full explanation of the investment strategy followed by each LifeTime Fund.

Transaction cost risk

The asset allocation process used by the Underlying Funds may result in additional transaction costs. This process can have an adverse effect on the performance of the Underlying Fund during periods of increased equity market volatility. In addition, the investment strategy used by the Underlying Fund may result in the Underlying Fund having a higher portfolio turnover rate. Portfolio turnover refers to the frequency of portfolio transactions and the percentage of portfolio assets being bought and sold during the year, which may increase overall costs.

Investment considerations

Responsible investment

Responsible investment includes ESG integration, which RBC GAM defines as the systematic inclusion of material factors into investment analysis and investment decisions. Each investment team that integrates material ESG factors has developed its own methods to integrate material ESG factors into its respective investment analysis and decision making, for applicable types of investments. For Funds that incorporate material ESG factors as part of their investment process to consider issuers' oversight and management of these material ESG factors, see the fund descriptions starting on page 60.

The investment teams of these Funds integrate material ESG factors when they believe that doing so may enhance the risk-adjusted long-term performance of their investments.

ESG factors considered material to each applicable Fund that integrates ESG varies depending on the specific issuer and the industries and geographies in which it operates. For example, the ESG factors material to a beverage manufacturer likely differ from those material to a telecommunications company. The ESG factors deemed material to a Fund are at the discretion of the investment team managing the applicable Fund and may be informed by sources including, but not limited to: third-party materiality maps, internal research and resources, industry experts, and sell-side and external research. As a result, there can be a significant number of ESG factors considered in the management of each applicable Fund. ESG factors considered may include, but are not limited to, the following:

- Corporate governance relates to how an issuer governs itself. This may include considering how the board is structured and whether there is sufficient independence, or if the company has any history or current controversies around bribery and/or corruption. It may also consider how much the board pays its executives, and whether the compensation plan aligns with the best interests of shareholders, amongst other corporate governance considerations.
- Employee health and safety relates to how an issuer interacts with its employees and considers their health and safety within its business operations. This may include considering how a company is ensuring that working conditions preserve employee wellbeing, which may be by confirming whether the company has created policies and practices that minimize on-the-job incidents, amongst other health and safety considerations.
- Human rights relates to how an issuer interacts with employees, customers, the communities it conducts its business in, and throughout its supply chain to ensure that the company is abiding by international and national human rights laws and agreements. This may include: whether the company has a human rights statement or policy; potential exposure to human rights risks and human rights impact analysis; governance oversight of material human rights related risks; and/or recognition of specific international laws, treaties or standards. It may also include determining whether aspects of the company's business model may have heightened human rights risks and how those risks are being managed and mitigated, amongst other human rights considerations.
- Environmental management relates to how an issuer interacts with the environment. This may include considering how the physical risks of climate change may impact a company's operations and whether those risks are being adequately managed and addressed. It may also consider how a company's operations may be impacting the air and/or water pollution within the community that the company operates in, and what the company may be doing to reduce these impacts moving forward, amongst other environmental considerations.

These Funds may from time to time invest in derivatives, cash, money market instruments, asset-backed securities and commercial paper, and other similar instruments where ESG integration may not be applicable due to the nature of such instruments. There may be other limitations on an investment team's ability to integrate ESG factors, such as incomplete, inaccurate or unavailable research information and data. See *ESG integration risk* on page 49.

We believe that the proper disclosure and consideration of material ESG risks and opportunities by the issuers in which the applicable Funds are invested may enhance the risk-adjusted long-term performance of those investments. For more information, please see *Our Approach to Responsible Investment*, available on the RBC GAM website at *www.rbcgam.com/ri*, which sets out RBC GAM's overall approach to responsible investment, including how RBC GAM integrates material ESG factors throughout its investment process across asset classes and how RBC GAM works as an active and engaged investor, for applicable types of investments.

Investment restrictions

Each Fund is designed to meet the investment objectives of different investors. Please refer to the description of the investment objectives of each Fund starting on page 60.

The fundamental investment objective of a Fund may not be changed without the consent of a majority of voting unitholders of the Fund. We can make other changes to the investment strategies and activities of a Fund without the consent of unitholders, subject to any required approval of the Canadian securities regulators and/or the IRC of a Fund.

Subject to the exceptions described under *Exemptions and approvals* on page 35, we manage each of the Funds in accordance with the standard investment restrictions and practices applicable to mutual funds and the other requirements of applicable securities legislation, including NI 81-102 and NI 81-107. The exceptions applicable to all Funds described below may only be relied on by a Fund where consistent with the investment objectives of the Fund.

None of the Funds will engage in any undertaking other than the investment of its fund property for purposes of the Tax Act. Each of the Funds which is or becomes a registered investment will not acquire an investment which is not a "qualified investment" under the Tax Act if, as a result thereof, the Fund would become subject to a material amount of tax under Part X.2 of the Tax Act.

Description of securities offered by the Funds

Each Fund is permitted to have an unlimited number of series of units and may issue an unlimited number of units of each series. The series offered by each Fund is set out in its respective Fund description pages in this simplified prospectus, as well as the front page of this simplified prospectus.

Each unit of a series of a Fund entitles the holder to:

- one vote at any meeting of unitholders of the Fund or a meeting of unitholders of that specific series;
- participate equally with all other units of the series in the regular distribution of net income and net realized capital gains of the Fund allocable to the series (other than management fee distributions);
- participate equally with all other units of the series, if the Fund is being terminated and wound up, in the distribution of the series' share of net assets of the Fund that remain after the Fund's liabilities have been paid; and
- the right to redeem their units of a Fund.

The distribution rights of a holder, including when the holder might receive distributions from a Fund and the character of such distributions, can be found under *Distribution policy* in the applicable Fund description.

Units of a series of a Fund do not entitle the holder to any conversion rights (except in limited circumstances) or pre-emptive rights, and units are not transferrable (except in limited circumstances). There is also no liability to holders of units of a series of a Fund for future calls or assessments.

No unitholder owns any assets of a Fund. Unitholders have only those rights mentioned in this Simplified Prospectus and the Trust Agreement.

The Trust Agreement does not require unitholder approval with respect to amendments to the Trust Agreement unless such approval is required under applicable securities laws. However, if an amendment to the Trust Agreement is one that we believe a reasonable unitholder would consider important in determining whether to continue to hold units of the affected Funds and is prejudicial to the interests of unitholders as a group, we must provide unitholders with 30 days' prior notice of that change. We may terminate or dissolve a Fund or a series within a Fund by giving the trustee and the affected unitholders written notice of our intention to terminate at least 60 days before the termination becomes effective.

Unless the Funds receive an exemption from Canadian securities regulatory authorities, we must obtain the approval of a majority of the votes cast by unitholders of a Fund – or for matters that affect one series differently than others, a majority of votes cast by unitholders of a series of units of a Fund – with respect to:

- any change in the way fees or expenses are calculated that could result in an increase in the fees or expenses charged to the Fund, or directly to unitholders of the Fund by the Fund or us in connection with the holding of units of the Fund, unless unitholders are provided with written notice of the increase at least 60 days before the increase becomes effective;
- any introduction of a fee or expense to be charged to the Fund, or directly to unitholders of the Fund by the Fund or us in connection with the holding of units of the Fund, that could result in an increase in charges to the Fund or to its unitholders, unless unitholders are provided with written notice of the increase at least 60 days before the increase becomes effective;
- a change of the manager of the Fund, unless the new manager is an "affiliate" (within the meaning of applicable securities laws) of RBC GAM;
- a change in the fundamental investment objectives of the Fund;
- except in the circumstances described below, a change of the auditors of the Fund;
- a decrease in the frequency of the calculation of the unit value of the Fund; and
- except in the circumstances described below, certain material reorganizations of the Fund.

However, under NI 81-107, the Funds have the ability to make the following changes without unitholder approval:

(a) change the auditors of the Funds, provided that the IRC has approved the change and unitholders are sent a written notice at least 60 days prior to the change; and

(b) complete a reorganization of a Fund that involves the transfer of its units to another fund (for example, a fund merger) where (i) the Fund will cease to continue after the transaction, and (ii) the transaction results in the unitholders of the Fund becoming unitholders in the other fund, provided that the IRC has approved the transaction and unitholders are sent written notice at least 60 days prior to the completion of the transaction and certain other conditions are met.

Although the Funds do not hold regular meetings, we will hold meetings to obtain your approval on certain matters.

The PH&N LifeTime Funds

The PH&N LifeTime Funds are a group of mutual funds that use a dynamic asset mix or "glidepath" that adjusts the asset mix of each PH&N LifeTime Fund relative to a target date indicated in the name of each PH&N LifeTime Fund. Each target date is intended to reflect the proposed retirement year of a "model" investor. When the investment horizon for the PH&N LifeTime Fund is long (i.e. the target date is well into the future), the PH&N LifeTime Fund invests in securities with the aim of earning a higher return. This is generally referred to as the "accumulation phase" because investors are typically in the process of accumulating assets at this point in their investment horizon. When the investment horizon is short for the PH&N LifeTime Fund (i.e. the target date is nearing or has passed), asset protection takes precedence over returns and the asset mix of each PH&N LifeTime Fund becomes more conservative. The retirement period following the target date is referred to as the "decumulation phase" because it is expected that investors start drawing on their assets or the income produced by their assets during this phase.

A unique feature of the PH&N LifeTime Funds is that the glidepath and investment portfolio of the PH&N LifeTime Funds has been designed using liability-driven investment concepts that take into consideration both the accumulation of assets (investor contributions) and the typical liability stream associated with an investor's retirement (i.e. an investor's retirement income needs). The glidepath is designed to reduce the expected volatility of the real (after inflation) spending power that income from the PH&N LifeTime Funds will generate in the investor's retirement period, consisting of the 25-year period following the applicable target date. We intend to terminate each PH&N LifeTime Fund 25 years after it has reached its applicable target date. Unitholders of the applicable PH&N LifeTime Fund will receive at least 60 days' notice of the termination date, at which time unitholders will be advised of the process of switching or redeeming their units of the applicable PH&N LifeTime Fund.

The glidepath was developed using a number of randomly generated variable economic scenarios for a model investor (the parameters of which are set out below), which included inflation, real interest rates and equity returns. The points on the glidepath were then adjusted to maximize, on a risk-adjusted basis, a model investor's wealth at the time of death, while targeting a required inflation-adjusted retirement drawdown.

In an effort to design a glidepath that is appropriate for a wide range of investors, it was necessary to make certain assumptions about the model investor. These assumptions influence the structure of the glidepath. Actual investors will have different characteristics when compared to the model investor. Some of the key assumptions we made about the model investor include the following:

- the model investor begins investing at age 21 and no longer draws on retirement savings after age 86;
- the model investor is employed for 40 years, beginning at age 21;
- annual contributions are made to the applicable PH&N LifeTime Fund which are equal to 10% of the model investor's before tax salary; and
- the model investor seeks a reasonable inflation adjusted level of income replacement, based on the model investor's final pay level, less certain assumed government benefits.

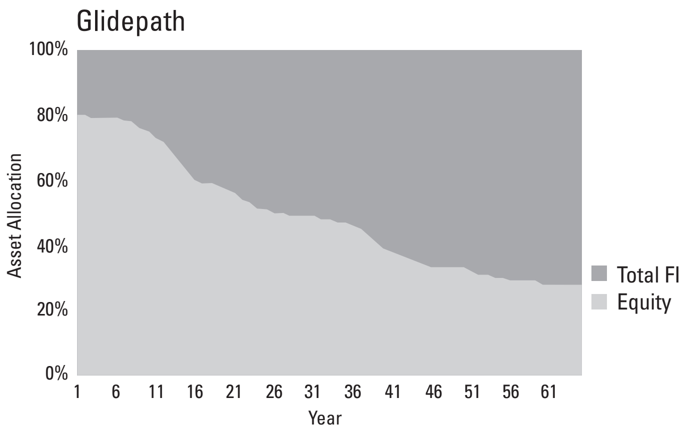
Various other assumptions, including assumed salary changes, are factored into glidepath design as well.

Each PH&N LifeTime Fund will become more conservative over time with the fixed-income allocations increasing as the PH&N LifeTime Fund reaches its target date and the period following its target date. Throughout the life of each PH&N LifeTime Fund, the fixed-income allocations for each PH&N LifeTime Fund are constructed using traditional asset liability matching principles, with the goal of more closely matching the real duration of the fixed-income allocation with liabilities of the model investor at different stages in the model investor's lifetime, relative to the applicable target date. The fixed-income allocation is achieved through the use of the following fixed-income portfolios or funds, blended to match the term structure and duration of the investor's liabilities (or future real income streams) over the course of the glidepath:

- The "accumulation phase" where the asset mix has a higher equity weighting and the fixed-income portfolio has a high allocation to long real return bonds, with a longer duration, to match long duration of investor liabilities.

- The "transition phase" where the asset mix has a more moderate equity weighting and the fixed-income portfolio has a high allocation to real return bonds, with a medium duration, to match shorter real duration of investor liabilities in the later part of the accumulation phase and early part of the decumulation phase.
- The "decumulation phase" where the asset mix has a lower equity weighting and the fixed-income portfolio has a high allocation to nominal bonds, with a shorter duration, to match shorter duration of investor liabilities in the later part of the decumulation phase.

The following graph illustrates a PH&N LifeTime Fund's approximate allocation among equity funds, fixed-income funds and Canadian or U.S. ETFs, and how the asset glidepath adjusts the asset mix of each fund relative to a target date, which approximates the retirement date of an investor.



Name, formation and history of the Funds

Each of the Funds was created under the laws of the Province of British Columbia pursuant to the Trust Agreement, other than the Conservative Equity Income Fund, which was created pursuant to another trust agreement between RBC GAM and the trustee of the Funds. All of the Funds, including the Conservative Equity Income Fund, are open-end mutual funds governed by the Trust Agreement.

Each Fund was established on the date indicated in the following table (which, for the purpose of this document, means the date on which the Fund first offered its units; other series of the Fund may have been offered after this date). The table also shows whether, in the last 10 years, the Funds' names have changed and any major events affecting the Funds (such as amalgamations, mergers, reorganizations, asset transfers, changes in fundamental investment objectives or material investment strategies and changes in a portfolio manager or the manager).

PHILLIPS, HAGER & NORTH INVESTMENT FUND	DATE CREATED
Money Market Funds:	
Phillips, Hager & North Canadian Money Market Fund	July 1, 1986
Phillips, Hager & North $U.S. Money Market Fund	October 22, 1990
Fixed-Income Funds:	
Phillips, Hager & North Short Term Bond & Mortgage Fund	December 15, 1993
Phillips, Hager & North Bond Fund	December 4, 1970
Phillips, Hager & North Total Return Bond Fund	June 19, 2000
Phillips, Hager & North Inflation-Linked Bond Fund	June 25, 2009
Phillips, Hager & North High Yield Bond Fund	June 1, 1998
Phillips, Hager & North Long Inflation-linked Bond Fund	January 10, 2011

PHILLIPS, HAGER & NORTH INVESTMENT FUND	DATE CREATED
Balanced Funds:	
Phillips, Hager & North Monthly Income Fund[1]	December 29, 2009
Phillips, Hager & North Balanced Fund[2]	August 19, 1991
Canadian Equity Funds:	
Phillips, Hager & North Dividend Income Fund	June 30, 1977
Phillips, Hager & North Canadian Equity Fund[3]	June 1, 1971
Phillips, Hager & North Canadian Equity Value Fund[4]	December 29, 2009
Phillips, Hager & North Conservative Equity Income Fund[5]	April 2, 2012
Phillips, Hager & North Canadian Equity Underlying Fund	January 10, 2011
Phillips, Hager & North Canadian Equity Underlying Fund II	July 31, 2014
Phillips, Hager & North Canadian Growth Fund	February 1, 1987
Phillips, Hager & North Canadian Income Fund	July 31, 2003
Phillips, Hager & North Vintage Fund	April 11, 1986
Phillips, Hager & North Small Float Fund	February 14, 1994
U.S. Equity Funds:	
Phillips, Hager & North U.S. Dividend Income Fund	May 1, 2002
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund[6]	June 25, 2010
Phillips, Hager & North U.S. Equity Fund	September 1, 1964
Phillips, Hager & North Currency-Hedged U.S. Equity Fund	June 22, 2006
Phillips, Hager & North U.S. Growth Fund	September 28, 1992
International Equity Funds:	
Phillips, Hager & North Overseas Equity Fund[7]	December 1, 2000
Phillips, Hager & North Currency-Hedged Overseas Equity Fund	June 22, 2006
Global Equity Funds:	
Phillips, Hager & North Global Equity Fund	September 26, 2000
Target Date Funds:	
Phillips, Hager & North LifeTime 2015 Fund	January 10, 2011
Phillips, Hager & North LifeTime 2020 Fund	January 10, 2011
Phillips, Hager & North LifeTime 2025 Fund	January 10, 2011
Phillips, Hager & North LifeTime 2030 Fund	January 10, 2011
Phillips, Hager & North LifeTime 2035 Fund	January 10, 2011
Phillips, Hager & North LifeTime 2040 Fund	January 10, 2011
Phillips, Hager & North LifeTime 2045 Fund	January 10, 2011
Phillips, Hager & North LifeTime 2050 Fund	June 20, 2014

PHILLIPS, HAGER & NORTH INVESTMENT FUND	DATE CREATED
Target Date Funds (cont.):	
Phillips, Hager & North LifeTime 2055 Fund	October 2, 2018
Phillips, Hager & North LifeTime 2060 Fund	June 24, 2020
Pension Trusts:	
Phillips, Hager & North Conservative Pension Trust	June 25, 2019
Phillips, Hager & North Balanced Pension Trust[2]	September 23, 1988
Phillips, Hager & North Growth Pension Trust	June 25, 2019
Phillips, Hager & North Canadian Equity Pension Trust	March 17, 1998
Phillips, Hager & North Canadian Equity Plus Pension Trust	November 24, 1966

1 On April 8, 2022, Phillips, Hager & North Monthly Income Class merged into this Fund.
2 On December 4, 2020, the investment objective of this Fund was changed.
3 On April 30, 2020, RBC Private Canadian Growth Equity Pool merged into this Fund.
4 On April 8, 2022, Phillips, Hager & North Canadian Equity Value Class merged into this Fund.
5 Until June 2015, units of this Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.
6 On April 8, 2022, Phillips, Hager & North U.S. Multi-Style All-Cap Equity Class merged into this Fund.
7 On April 8, 2022, Philips, Hager & North Overseas Equity Class merged into this Fund.

Material amendments to trust agreements

The Trust Agreement for the Funds has been amended a number of times since the Funds were created. A description of the material amendments made in the last 10 years to the Trust Agreement for the Funds that relate specifically to the Funds is set out below.

On June 28, 2013, the master trust agreement for the Funds that existed on that date was amended to create Series Z units of certain Funds.

On November 25, 2013, the master trust agreement for the Funds that existed on that date was amended to create Series N units of certain Funds and to reflect the termination of the Phillips, Hager & North Enhanced Income Equity Pension Trust effective July 12, 2013.

On June 20, 2014, the master trust agreement for the Funds that existed on that date was amended to create the 2050 LifeTime Fund and to make certain ancillary amendments relating to the timing of distributions in a taxation year.

On July 31, 2014, the master trust agreement for the Funds that existed on that date was amended to create the Canadian Equity Underlying Fund II.

On May 15, 2015, the master trust agreement for the Funds that existed on that date was amended to add the Conservative Equity Income Fund, which was previously created pursuant to another trust agreement between RBC GAM and the trustee of the Funds.

On June 30, 2016, the master trust agreement for the Funds that existed on that date was amended to: (i) decrease the management fee for certain series of certain Funds; (ii) reflect the re-designations of Series H units and Series I units of the Short Term Bond & Mortgage Fund, the Total Return Bond Fund and the Canadian Equity Value Fund as Series C units and Series F units, respectively, followed by the renaming of Series C units of all applicable investment funds under the master trust agreement as Series A units; (iii) reflect the change in auditor of the Funds effective July 1, 2016; (iv) reflect that unitholder consent is not required for a change of auditor, which is consistent with regulatory requirements for a change of auditor, effective July 1, 2016; and (v) make certain ancillary changes and changes of a housekeeping nature.

On June 30, 2017, the master trust agreement for the Funds that existed on that date was amended to: (i) remove the Phillips, Hager & North Community Values Balanced Fund, Phillips, Hager & North Community Values Canadian Equity Fund and Phillips, Hager & North Community Values Global Equity Fund to reflect their termination as a result of fund mergers effective June 30, 2017; (ii) remove the Phillips, Hager & North Community Values Bond Fund to reflect its rebranding and transition to another fund family; (iii) reflect the termination of the BonaVista Global Balanced Fund and the BonaVista Canadian Equity Value Fund effective May 26, 2017; and (iv) create Series T5 and Series FT5 units for the Canadian Equity Value Fund.

On June 28, 2018, the master trust agreement for the Funds that existed on that date was amended to: (i) reflect the termination of the Phillips, Hager & North Overseas Equity Pension Trust effective December 12, 2017; (ii) reflect the re-designation of Series A units of the Balanced Pension Trust, Small Float Fund and Canadian Equity Plus Pension Trust as Series F units; (iii) create Series A units for the Conservative Equity Income Fund; and (iv) create Series F units for the Conservative Equity Income Fund, the Canadian Equity Underlying Fund II, and each of the PH&N LifeTime Funds that existed on that date.

On October 2, 2018, the master trust agreement for the Funds that existed on that date was amended to create the LifeTime 2055 Fund.

On June 25, 2019, the master trust agreement for the Funds that existed on that date was amended to create the Conservative Pension Trust and the Growth Pension Trust.

On June 24, 2020, the master trust agreement for the Funds that existed on that date was amended to create the LifeTime 2060 Fund.

On June 29, 2021, the master trust agreement for the Funds that existed on that date was amended to: (i) reflect the re-designation of Advisor Series units as Series A units effective August 4, 2020; and (ii) create Series A and Series D units for the Small Float Fund.

On December 14, 2021, the master trust agreement for the Funds that existed on that date was amended to create Series AZ, Series DZ and Series FZ units for the Overseas Equity Fund.

On June 27, 2022, the master trust agreement for the Funds was amended to reflect the reduction of the management fee payable in respect of the Canadian Money Market Fund and the U.S. Money Market Fund.

Investment risk classification methodology

We assign a risk rating to each Fund to help you decide, along with your financial advisor, whether a Fund is right for you. This information is only a guide. We determine the risk rating for each Fund in accordance with NI 81-102. The investment risk level of a Fund is required to be determined in accordance with a standardized risk classification methodology that is based on the historical volatility of the Fund as measured by the 10-year standard deviation of the returns of the Fund. Just as historical performance may not be indicative of future returns, a Fund's historical volatility may not be indicative of its future volatility. You should be aware that other types of risk, both measurable and non-measurable, also exist.

Standard deviation is a statistical measure used to estimate the dispersion of a set of data around the average value of the data. In the context of investment returns, it measures the amount of variability of returns that has historically occurred relative to the average return. The higher the standard deviation, the greater the variability of returns it has experienced in the past.

Using this methodology, we assign a risk rating to each Fund as either low, low to medium, medium, medium to high, or high risk.

- Low – Funds that are rated with a low risk rating are commonly associated with money market funds and Canadian fixed-income funds.
- Low to medium – Funds that are rated with a low to medium risk rating are commonly associated with balanced, higher yielding fixed-income and asset allocation funds.
- Medium – Funds that are rated with a medium risk rating are commonly associated with equity funds investing in large-capitalization companies in developed markets.
- Medium to high – Funds that are rated with a medium to high risk rating are commonly associated with equity funds investing in small-capitalization companies or specific regions or sectors.
- High – Funds that are rated with a high risk rating are commonly associated with equity funds investing in narrow sectors or emerging market countries where there may be substantial risk of loss over short to medium periods.

A Fund's risk rating is determined by calculating its standard deviation for the most recent 10 years using monthly returns and assuming the reinvestment of all income and capital gains distributions in additional units of the Fund. For those Funds that do not have at least 10 years of performance history, we use a reference index that reasonably approximates or, for a newly established Fund, that is reasonably expected to approximate, the standard deviation of the Fund (or in certain cases a highly similar mutual fund managed by us) as a proxy. There may be times when we believe this methodology produces a result that does not reflect a Fund's risk based on other qualitative factors. As a result, we may place the Fund in a higher risk rating category, as appropriate. We review the risk rating for each Fund on an annual basis or if there has been a material change to a Fund's investment objectives or investment strategies.

The methodology that we use to identify the investment risk level of the Funds is available on request, at no cost by calling us toll-free at 1-877-408-6019 or by writing to us at 155 Wellington St. W., Suite 2200, Toronto, Ontario, M5V 3K7.

A guide to using the Fund descriptions

This section provides additional information that will help you to better understand the description of each of the Funds that appears on the following pages.

Fund details

This table gives you a brief summary of each Fund. It describes what type of mutual fund it is, when it was established and the series of units that the Fund offers. The table also highlights whether units of the Fund are a qualified investment under the Tax Act for registered plans. You will find more information about registered plans on page 34. It also tells you the name of the portfolio sub-advisor, if there is one, and the management fee and administration fee for each series of the Fund.

What does the Fund invest in?

Investment objectives

This section outlines the investment objectives of each Fund and the type of securities in which the Fund may invest to achieve those investment objectives.

Investment strategies

This section describes the principal investment strategies that the portfolio manager uses to achieve the Fund's investment objectives. It gives you a better understanding of how your money is being managed. The format also allows you to compare more easily how different mutual funds are managed.

This section also highlights:

- any significant investment restrictions adopted by the Fund; and
- the potential use of derivatives and a description of how they will be used.

For details of regulatory relief that the Funds have obtained, please see *Exemptions and approvals* on page 35.

What are the risks of investing in the Fund?

Understanding risk and your comfort with risk is an important part of investing. In each of the Fund profiles, the section *What are the risks of investing in the Fund?* highlights the specific risks of each Fund. The risks are listed in the order of relevance for each Fund. You will find general information about the risks of investing and descriptions of each specific risk in *what is a mutual fund and what are the risks of investing in a mutual fund?* on page 45 and *Specific risks in respect of the Funds* on page 46.

Investment risk classification

This section provides a brief description of the reference index or indices used to determine the risk level of fund that has fewer than 10 years of performance history.

Distribution policy

This section tells you when you might receive distributions from a Fund and the character of the distribution. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Money Market Fund

FUND DETAILS			
Type of fund	Canadian money market		
Date started	Series A – November 30, 2008 Series D – July 31, 1986 Series F – June 30, 2007	Series O – October 31, 2002	
Eligibility	The Canadian Money Market Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series A	0.30%	0.02%
	Series D	0.30%	0.02%
	Series F	0.20%	0.02%
	Series O	–	0.02%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide a steady level of current income while preserving capital by investing in a well-diversified portfolio of short-term Canadian money market securities.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in government or government-guaranteed treasury bills, high-grade corporate notes and asset-backed commercial paper. The average term to maturity of the portfolio is generally 30 days. The Fund is conservatively managed and does not invest in foreign property.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

While it is intended that a constant unit price for the Fund be maintained, there is no guarantee that the unit price will not fluctuate.

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 14.2% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Phillips, Hager & North Canadian Money Market Fund

Distribution policy

Net interest income is calculated and allocated to unitholders daily. It is distributed to unitholders monthly, or when units are redeemed. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North $U.S. Money Market Fund

FUND DETAILS			
Type of fund	U.S. money market		
Date started	Series A – November 30, 2008 Series D – November 30, 1990 Series F – June 30, 2007		Series O – October 31, 2002
Eligibility	The $U.S. Money Market Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	0.30%	0.02%
	Series D	0.30%	0.02%
	Series F	0.20%	0.02%
	Series O	–	0.02%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide a steady level of current income while preserving capital by investing primarily in a well-diversified portfolio of short-term Canadian money market securities denominated in U.S. dollars.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in government or government-guaranteed treasury bills, high-grade corporate notes and asset-backed commercial paper. The average term to maturity of the portfolio is generally 30 days. The Fund is conservatively managed.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

The Fund may invest a portion of its net asset value in non-Canadian securities where such investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 30% of its net asset value in non-Canadian securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

While we intend to maintain a constant price for units of the Fund, there is no guarantee that the price will not fluctuate.

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- currency risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

Phillips, Hager & North $U.S. Money Market Fund

As at May 31, 2023, two investors held 20.8% and 10.3%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

Net interest income is calculated and allocated to unitholders daily. It is distributed to unitholders monthly or when units are redeemed. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. Net realized capital gains are distributed annually in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. Units of the Fund will be consolidated immediately after each distribution of net realized capital gains so that the distribution does not result in a lower unit price. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Short Term Bond & Mortgage Fund

FUND DETAILS			
Type of fund	Canadian short-term fixed-income		
Date started	Series A – November 30, 2008 Series D – December 31, 1993 Series F – June 30, 2007	Series O – October 31, 2002	
Eligibility	The Short Term Bond & Mortgage Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	0.90%	0.05%
	Series D	0.50%	0.05%
	Series F	0.40%	0.05%
	Series O	–	0.05%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide relatively high yields and stability of capital by investing primarily in a well-diversified portfolio of short-term fixed-income securities issued by Canadian governments and corporations, and first mortgages on property located in Canada in accordance with National Policy Statement No. 29 of the Canadian Securities Administrators.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in high-quality Canadian corporate bonds, government bonds and up to 40% of the Fund's net assets in conventional first mortgages and mortgages guaranteed under the *National Housing Act* (Canada). In addition, we may also invest in asset-backed commercial paper. The Fund maintains an average term to maturity similar to the FTSE Canada Short Term Overall Bond Index.[1]

If the Fund has more than 10% of its portfolio invested in mortgages, National Policy Statement No. 29 of the Canadian Securities Administrators will apply. National Policy Statement No. 29 sets out certain investment restrictions and practices which the Fund must follow and outlines rules for determining the price at which a mortgage is to be acquired and valued. For additional information, please see the section called *Additional information about investments in mortgages* below.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 30% of its net asset value in non-Canadian securities.

1 All rights in the "FTSE Canada Short Term Overall Bond Index" vest in FTSE Global Debt Capital Markets Inc. FTSE® is a trademark of FTSE International Limited in Canada and is used by FTSE under licence. The Fund is not sponsored, endorsed, sold or promoted by FTSE International Limited or its licensors, and they make no representation, warranty or condition regarding the results to be obtained from the use of the index or the advisability of investing in the Fund.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

Additional information about investments in mortgages

The Short Term Bond & Mortgage Fund is subject to National Policy Statement No. 29 of the Canadian Securities Administrators because more than 10% of its portfolio is invested in mortgages. National Policy Statement No. 29 sets out certain investment restrictions and disclosure requirements which apply to any mutual fund that invests more than 10% of its portfolio in mortgages.

The Fund's policy is to invest in multi-residential conventional first mortgages and mortgages guaranteed under the *National Housing Act* (Canada) on property located in Canada. The mortgages originated for the Short Term Bond & Mortgage Fund during the financial year ended December 31, 2022 were sourced through CMLS Financial Inc., and the Fund may also invest in mortgages sourced and originated by Portage Capital Corporation, Royal Bank and First National Financial LP. These companies are engaged in the business of originating and/or servicing mortgages, and originate and/or administer the mortgages held by the Fund. A subsidiary of CMLS Financial Inc. provides RBC GAM with valuation services regarding the mortgages held by the Fund, in respect of which information is provided by the other companies mentioned above as applicable.

Mortgage portfolio analysis

An analysis of the Short Term Bond & Mortgage Fund's mortgage portfolio on December 31, 2022 is set out in the following tables:

Mortgages by type of loan

TYPE	NUMBER OF MORTGAGES	PRINCIPAL (000s)	FAIR VALUE (000s)
CMHC insured	1	$4,386	$4,258
Conventional uninsured	65	$752,860	$718,413
Total	**66**	**$757,246**	**$722,671**

Mortgages by type of property

TYPE	NUMBER OF MORTGAGES	PRINCIPAL (000s)	FAIR VALUE (000s)	AMORTIZED COST (000s)
Single family dwelling or condominium	0	$0	$0	$0
Multi-unit dwelling up to 8 units	0	$0	$0	$0
Multi-unit dwelling more than 8 units	65	$752,860	$718,413	$752,982
Commercial	1	$4,386	$4,258	$4,395
Industrial	0	$0	$0	$0
Total	**66**	**$757,246**	**$722,671**	**$757,377**

Phillips, Hager & North Short Term Bond & Mortgage Fund

Mortgages by year of maturity as at December 31, 2022

YEAR OF MATURITY	NUMBER OF MORTGAGES	WEIGHTED AVERAGE INTEREST RATE (%)	PRINCIPAL (000s)	FAIR VALUE (000s)
2023	40	3.737%	$461,107	$452,817
2024	8	3.127%	$37,674	$36,048
2025	6	2.880%	$31,610	$29,437
2026	9	2.538%	$186,377	$167,928
2027	2	2.881%	$31,936	$28,941
2028	1	2.710%	$8,542	$7,500
Total	**66**		**$757,246**	**$722,671**

Mortgages by geographic location

PROVINCE	NUMBER OF MORTGAGES	PRINCIPAL (000s)	FAIR VALUE (000s)
Alberta	4	$63,447	$57,287
British Columbia	19	$128,705	$122,919
Ontario	40	$499,135	$482,369
Quebec	3	$65,959	$60,096
Total	**66**	**$757,246**	**$722,671**

Mortgages with installments 90 days or more in arrears

MORTGAGE TYPE	INSTALLMENTS IN ARREARS	NUMBER OF MORTGAGES	FAIR VALUE (000s)
CMHC insured	$0	0	$0
Conventional uninsured	$0	0	$0
Total	**$0**	**0**	**$0**

Contractual interest rates in groups

INTEREST RATES	NUMBER OF MORTGAGES	PRINCIPAL (000s)	FAIR VALUE (000s)	AMORTIZED COST (000s)
1.75% – 1.99%	2	$35,500	$34,980	$35,500
2.00% – 2.24%	2	$55,028	$50,769	$55,028
2.25% – 2.49%	5	$154,569	$148,956	$154,583
2.50% – 2.74%	7	$174,348	$161,372	$174,348
2.75% – 2.99%	4	$130,852	$122,468	$130,852
3.00% – 3.24%	7	$15,656	$14,853	$15,670
3.25% – 3.49%	11	$8,942	$8,646	$8,942
3.50% – 3.74%	3	$16,808	$16,275	$16,808

Phillips, Hager & North Short Term Bond & Mortgage Fund

Contractual interest rates in groups (cont.)

INTEREST RATES	NUMBER OF MORTGAGES	PRINCIPAL (000s)	FAIR VALUE (000s)	AMORTIZED COST (000s)
3.75% – 3.99%	4	$29,181	$28,764	$29,236
4.00% – 4.24%	10	$33,956	$33,255	$34,004
4.25% – 4.49%	1	$876	$837	$876
4.50% – 4.74%	–	–	–	–
4.75% – 4.99%	–	–	–	–
5.00% – 5.24%	–	–	–	–
5.25% – 5.49%	–	–	–	–
5.50% – 5.74%	–	–	–	–
5.75% – 5.99%	8	$5,580	$5,546	$5,580
6.00% – 6.24%	–	–	–	–
6.25% – 6.49%	–	–	–	–
6.50% – 6.74%	–	–	–	–
6.75% – 6.99%	–	–	–	–
7.00% – 7.24%	–	–	–	–
7.25% – 7.49%	2	$95,950	$95,950	$95,950
Total	**66**	**$757,246**	**$722,671**	**$757,377**

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- liquidity risk;
- currency risk;
- foreign investment risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, two investors held 10.9% and 10.1%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Bond Fund

FUND DETAILS			
Type of fund	Canadian fixed-income		
Date started	Series A – November 30, 2008 Series D – December 31, 1970 Series F – June 30, 2007	Series O – October 31, 2002	
Eligibility	The Bond Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series A	0.90%	0.05%
	Series D	0.50%[2]	0.05%
	Series F	0.40%	0.05%
	Series O	–	0.02%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

2 We have agreed to absorb additional expenses if the combined fees and expenses of the Fund exceed certain specified limits (as disclosed in the master trust agreement for the Funds).

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide relatively high yields and stability of capital by investing primarily in a well-diversified portfolio of fixed-income securities issued by Canadian governments and corporations.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in high-quality Canadian corporate bonds and government bonds issued in Canadian or U.S. dollars. In addition, we may also invest in asset-backed commercial paper. The Fund maintains an average term to maturity similar to the FTSE Canada Universe Bond Index.[1]

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 30% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

1 All rights in the "FTSE Canada Universe Bond Index" vest in FTSE Global Debt Capital Markets Inc. FTSE® is a trademark of FTSE International Limited in Canada and is used by FTSE under licence. The Fund is not sponsored, endorsed, sold or promoted by FTSE International Limited or its licensors, and they make no representation, warranty or condition regarding the results to be obtained from the use of the index or the advisability of investing in the Fund.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- currency risk;
- foreign investment risk;
- liquidity risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 19.0% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Total Return Bond Fund

FUND DETAILS			
Type of fund	Canadian fixed-income		
Date started[1]	Series A – November 30, 2008 Series D – July 31, 2000 Series F – June 30, 2007	Series O – October 31, 2002	
Eligibility	The Total Return Bond Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[2]**	**Administration fee**
	Series A	0.90%	0.05%
	Series D	0.50%	0.04%
	Series F	0.40%	0.05%
	Series O	–	0.02%

1 Although the Fund was created in June 2000, we did not offer units for sale under a simplified prospectus until July 2000. Before July 2000, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide stability of capital and maximum total return by investing primarily in a well-diversified portfolio of Canadian fixed-income securities and derivatives based on the value of fixed-income instruments.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in medium- to high-quality corporate and government bonds of Canadian, U.S. and other foreign issuers. In addition, we may also invest in asset-backed commercial paper. The Fund maintains an average term to maturity similar to the FTSE Canada Universe Bond Index.[1]

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 30% of its net asset value in non-Canadian securities.

1 All rights in the "FTSE Canada Universe Bond Index" vest in FTSE Global Debt Capital Markets Inc. FTSE® is a trademark of FTSE International Limited in Canada and is used by FTSE under licence. The Fund is not sponsored, endorsed, sold or promoted by FTSE International Limited or its licensors, and they make no representation, warranty or condition regarding the results to be obtained from the use of the index or the advisability of investing in the Fund.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

› interest rate risk;

› credit risk;

› market risk;

› currency risk;

› foreign investment risk;

› ESG integration risk;

› derivatives risk;

› multiple series risk;

› securities lending, repurchase and reverse repurchase risk;

› large investor risk; and

› cyber security risk.

As at May 31, 2023, two investors held 28.9% and 12.4%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Inflation-Linked Bond Fund

FUND DETAILS			
Type of fund	Canadian inflation-protected fixed-income		
Date started	Series A – June 30, 2009 Series D – June 30, 2009 Series F – June 30, 2009	Series O – June 30, 2009	
Eligibility	The Inflation-Linked Bond Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	0.80%	0.05%
	Series D	0.45%	0.05%
	Series F	0.30%	0.05%
	Series O	–	0.02%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to generate interest income that is hedged against inflation by investing primarily in real return bonds and inflation-linked bonds issued or guaranteed by Canadian and foreign governments and corporations.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in real return bonds and inflation-linked bonds issued by the Canadian Federal and Provincial governments, the governments of foreign countries and corporations. The Fund may also invest in one or more government securities as permitted by NI 81-102 and asset-backed securities, including mortgage-backed securities. The Fund maintains an average term to maturity similar to the FTSE Canada Real Return Bond Index.[1]

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps (including interest rate and credit default swaps), options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

Investments in non-Canadian securities are not limited to a specific percentage of the net asset value of the Fund but as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 30% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

[1] All rights in the "FTSE Canada Real Return Bond Index" vest in FTSE Global Debt Capital Markets Inc. FTSE® is a trademark of FTSE International Limited in Canada and is used by FTSE under licence. The Fund is not sponsored, endorsed, sold or promoted by FTSE International Limited or its licensors, and they make no representation, warranty or condition regarding the results to be obtained from the use of the index or the advisability of investing in the Fund.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- currency risk;
- foreign investment risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, two investors held 25.5% and 19.1%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

In addition, the market value of a real return bond prior to maturity can be negatively affected by rising interest rates. To the extent that these changes in interest rates are caused by change in the expected future inflation rate, the bond will be largely protected. However, interest rates will not necessarily move in lock-step with expected future inflation, and a bond's value may decline as a result of a change in interest rates.

The value of a real return bond at maturity will be negatively affected if there is net deflation at the date of maturity because the face value of the bond will be adjusted downward for deflation.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is typically made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North High Yield Bond Fund

FUND DETAILS			
Type of fund	High yield fixed-income		
Date started[1, 2]	Series A – November 30, 2008 Series D – July 31, 2000 Series F – June 30, 2007	Series O – October 31, 2002	
Eligibility	The High Yield Bond Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[3]**	**Administration fee**
	Series A	1.25%	0.05%
	Series D	0.75%	0.05%
	Series F	0.75%	0.05%
	Series O	–	0.03%

1 Although the Fund was created in June 1998, we did not offer units for sale under a simplified prospectus until July 2000. Before July 2000, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 Effective July 29, 2022, 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 July 29, 2022 can continue to make additional investments into the High Yield Bond Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates, that may invest in the High Yield Bond Fund. Please contact us or your dealer for more information.

3 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide a high level of income and the opportunity for capital appreciation by investing primarily in a well-diversified portfolio of fixed-income securities issued by Canadian and/or foreign corporations and governments.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in medium quality Canadian and/or foreign corporate bonds, convertible bonds, preferred shares and government bonds issued or traded in Canadian and U.S. dollars. In addition, we may also invest in asset-backed commercial paper. The average term to maturity of the portfolio is managed within strict guidelines, typically between three and 13 years.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

Investments in non-Canadian securities are not limited to a specific percentage of the net asset value of the Fund but as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 70% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

Phillips, Hager & North High Yield Bond Fund

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- currency risk;
- foreign investment risk;
- liquidity risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Long Inflation-linked Bond Fund

FUND DETAILS			
Type of fund	Canadian inflation-protected fixed-income		
Date started	Series O[1] – January 31, 2011		
Eligibility	The Long Inflation-linked Bond Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series O	–	0.02%

1 Another series of units of the Fund exists, but is not offered under this Simplified Prospectus. The rights attached to this other series of units do not affect the rights attached to the series of units offered in this Simplified Prospectus.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to generate interest income that is hedged against inflation by investing primarily in longer-term real return bonds and inflation-linked bonds issued or guaranteed by Canadian and foreign governments and corporations.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest primarily in longer-term real return bonds and inflation-linked bonds issued by the Canadian federal and provincial governments, the governments of foreign countries and corporations. The Fund's portfolio will include various longer-term maturities that are intended to match longer-term liabilities and to manage the interest-rate risk of the LifeTime Fund that holds the Fund as part of its portfolio. The Fund may also invest in asset-backed securities, including mortgage-backed securities. The Fund may invest all or a portion of the Fund's assets in one or more government securities as permitted by NI 81-102.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps (including interest rate and credit default swaps), options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

Investments in non-Canadian securities are not limited to a specific percentage of the net asset value of the Fund but as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 30% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- currency risk;
- foreign investment risk;
- ESG integration risk;
- derivatives risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, four investors held 30.0%, 20.8%, 18.5% and 18.4%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

In addition, the market value of a real return bond prior to maturity can be negatively affected by rising interest rates. To the extent that these changes in interest rates are caused by change in the expected future inflation rate, the bond will be largely protected. However, interest rates will not necessarily move in lock-step with expected future inflation, and a bond's value may decline as a result of a change in interest rates.

The value of a real return bond at maturity will be negatively affected if there is net deflation at the date of maturity because the face value of the bond will be adjusted downward for deflation.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Monthly Income Fund

FUND DETAILS			
Type of fund	Canadian neutral balanced		
Date started	Series A – December 31, 2009 Series H[1] – July 9, 2012 Series D – December 31, 2009 Series F – December 31, 2009	Series I[1] – July 9, 2012 Series O – April 30, 2010	
Eligibility	The Monthly Income Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[2]**	**Administration fee**
	Series A	1.65%	0.10%
	Series H[1]	1.50%	0.10%
	Series D	0.90%	0.10%
	Series F	0.65%	0.10%
	Series I[1]	0.50%	0.10%
	Series O	–	0.05%

1 Effective June 30, 2016, Series H and Series I units of the Monthly Income Fund are no longer available for purchase by new investors. Investors who held Series H and Series I units of the Monthly Income Fund on June 30, 2016 can continue to make additional investments into the Monthly Income Fund. Please contact us or your dealer for more information.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide a relatively high monthly income that may consist of dividend income, interest income, realized capital gains and a return of capital, with the potential for modest capital growth, by investing in a well-diversified balanced portfolio of income-producing equity securities, including but not limited to, common shares of Canadian companies that pay dividends and income trusts, and fixed-income securities such as preferred shares, government and corporate bonds, debentures and notes.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we:

› invest primarily in income-producing equity securities such as dividend-paying Canadian common shares and income trusts and fixed-income securities such as preferred shares, government and corporate bonds, debentures and notes, asset-backed commercial paper, mortgage-backed securities and other income-generating securities. The Fund may also invest in convertible bonds and convertible preferred shares;

› employ a strategic asset allocation approach, determining the appropriate asset mix within broad pre-established guidelines for each asset class as set out in the following table:

Asset class	Target weighting
Fixed-income	40%
Equities	60%

› adjust the percentage of the Fund invested in each asset class based on changes in the market outlook for each asset class and manage the allocation so that it will be no more than 15% above or below the target weighting for that asset class.

When selecting fixed-income securities, we seek securities that offer an above-average current income yield.

When selecting equity securities, we focus on securities that offer an above-average dividend yield or have prospects of paying or growing their dividends.

As a way to generate additional income yield, the Fund may invest in non-investment grade corporate debt (rated below BBB- or not rated).

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 35% of its net asset value in non-Canadian securities.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- currency risk;
- foreign investment risk;
- capital erosion risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

This Fund intends to make monthly distributions. The dollar amount of your monthly distribution is reset at the beginning of each calendar year. It is a factor of the Fund's payout rate (which is expected to remain at or about 5%), the unit value as of the end of the previous calendar year, and the number of units of the Fund you own at the time of the distribution. Although not expected, the monthly distribution may be adjusted during the year, without prior notification, if capital market conditions have affected or are expected to affect the Fund's ability to maintain the payout rate. You can get information on the current monthly distribution amount from our website at *www.rbcgam.com*.

If the regular monthly distributions are less than the Fund's net income and net realized capital gains for the year, we will make an additional distribution of net income and/or net realized capital gains in December. These additional year-end distributions will be reinvested in units of the Fund even if you have elected to receive your monthly distributions in cash.

If the regular monthly distributions exceed the Fund's net income and net capital gains for the year, the excess distributions will be treated as a return of capital. Return of capital represents a return to the investor of a portion of their own invested capital. This excess amount will not be taxable to you in the year of receipt. The part of the distribution that is a return of capital will reduce the ACB of your units. If you hold your units in a non-registered account and if you receive your distributions in cash rather than having them reinvested in new units, the amount of the reduction in your ACB will generally be realized as a larger capital gain (or reduced capital loss) in the year in which you redeem your units.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash (except the additional year-end distributions referred to above which will always be reinvested in units even if you have elected to receive your monthly distributions in cash). For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Balanced Fund

FUND DETAILS			
Type of fund	Global neutral balanced		
Date started	Series A – November 30, 2008 Series D – September 30, 1991 Series F – December 31, 2007	Series O – October 31, 2002	
Eligibility	The Balanced Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series A	1.75%	0.04%
	Series D	0.75%	0.04%
	Series F	0.75%	0.04%
	Series O	–	0.01%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth and income by investing primarily in a well-diversified, balanced portfolio of common stocks, bonds and money market securities from anywhere around the world.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest a significant portion or even all of the net asset value of the Fund in other funds managed by RBC GAM. We will only invest in units of other funds where the investment is consistent with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws. For example, as at the date of this Simplified Prospectus, we intend to invest approximately 100% of the Fund's net asset value in units of other funds managed by RBC GAM. However, in the future we may not make these investments or may elect to make investments in other funds.

We do not typically make large shifts in the Fund's asset mix. Our investment philosophy is based on three principles:

- investments in high-quality common stocks represent an effective vehicle for creating wealth over the long term;
- wealth preservation and income objectives can be met by balancing common stock and fixed-income investments; and
- the cyclical nature of markets requires the timely adjustment of the mix of common stock and fixed-income investments to achieve superior investment results.

We employ a strategic asset allocation approach, determining the appropriate asset mix within broad pre-established guidelines for each asset class as set out in the following table:

Asset class	Target weighting
Fixed-income	40%
Canadian equities	20%
Global equities	36%
Emerging markets equities	4%

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will be no more than 15% above or below the target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the Canadian equities, global equities and emerging markets equities asset classes.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest up to 100% of its net asset value in foreign securities.

The Fund has received exemptive relief to invest in German ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single German ETF and up to 20% of its net asset value in securities issued by German ETFs in aggregate.

The Fund has received exemptive relief to invest in UK Listed ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single UK Listed ETF and up to 20% of its net asset value in securities issued by UK Listed ETFs in aggregate.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

During the 12-month period prior to May 31, 2023, up to 27.7%, 24.0% and 13.4% of the net asset value of the Fund was invested in units of the Bond Fund, the RBC Global Equity Focus Fund and the Canadian Equity Underlying Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Dividend Income Fund

FUND DETAILS			
Type of fund	Canadian dividend & income equity		
Date started	Series A – November 30, 2008 Series D – June 30, 1977 Series F – June 30, 2007		Series O – October 31, 2002
Eligibility	The Dividend Income Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	1.60%	0.10%
	Series D	0.85%	0.06%
	Series F	0.60%	0.10%
	Series O	–	0.02%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth and income by investing primarily in a well-diversified portfolio of dividend income-producing Canadian securities that have a relatively high yield.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we invest primarily in Canadian common shares that pay dividends or have prospects of paying or growing their dividends and, to a lesser extent, preferred shares and bonds.

When selecting companies to invest in, we generally focus on securities which offer an attractive current yield combined with the following characteristics:

- superior management;
- industry leadership;
- a high level of profitability relative to others in that industry;
- a sound financial position;
- strong earnings and dividend growth; and
- a reasonable valuation.

We do not use market or industry sector timing strategies. Instead, when we select securities, we look for those with attractive valuations relative to their longer-term growth prospects. While we constantly monitor the liquidity levels of the Fund to ensure that adequate cash is available to meet anticipated demands, generally the Fund will be fully invested. Because of its focus on dividend-paying securities, the Fund will typically be invested in relatively mature, yet growing businesses, and as such will not have exposure to early stage growth companies, companies which require high levels of capital expenditures or companies with high rates of internal reinvestment. As a result, the Fund will typically be under-represented in the small capitalization, resource, technology and communications sectors, as compared to broader equity market indices.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 50% of its net asset value in non-Canadian securities.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Equity Fund

FUND DETAILS			
Type of fund	Canadian equity		
Date started	Series A – November 30, 2008 Series D – June 30, 1971 Series F – June 30, 2007	Series O – October 31, 2002	
Eligibility	The Canadian Equity Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	1.60%	0.10%
	Series D	0.85%	0.06%
	Series F	0.60%	0.10%
	Series O	–	0.02%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide significant long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we generally look for growth companies to invest in that have:

- superior management;
- industry leadership;
- a high level of profitability compared to their competitors;
- a sound financial position;
- strong earnings growth; and
- a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 10% of its net asset value in non-Canadian securities.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

During the 12-month period prior to May 31, 2023, up to 13.7% of the net asset value of the Fund was invested in units of the Small Float Fund. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Equity Value Fund

FUND DETAILS			
Type of fund	Canadian equity		
Date started	Series A – December 31, 2009 Series T5 – August 28, 2017 Series D – December 31, 2009 Series F – December 31, 2009	Series FT5 – August 28, 2017 Series O – December 31, 2009	
Eligibility	The Canadian Equity Value Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	1.60%	0.10%
	Series T5	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series FT5	0.60%	0.10%
	Series O	–	0.02%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth. The Fund invests primarily in equity securities of Canadian issuers priced below the portfolio manager's assessment of their true value and offering long-term opportunities for growth.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we generally:

- apply a bottom-up stock selection process to identify quality issuers that are undervalued based on criteria such as assets, earnings, cash flow, and free cash flow;
- review the financial statistics of each issuer to determine if the stock is priced below its fundamental value or relative to similar companies and whether its capital structure is appropriate for its business model;
- use a value investment approach which focuses on buying undervalued securities and therefore should provide a lower level of volatility than a portfolio of growth oriented stocks;
- review economic, industry and company-specific information to assess the prospects for the issuer;
- monitor and review issuers on an ongoing basis to ensure that the best relative values are identified; and
- may invest in fixed-income securities or cash to protect value in certain market conditions.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

While the Fund intends to invest primarily in Canadian issuers, a modest amount of foreign securities may be held from time to time. We do not expect these holdings to exceed 5% of the net asset value of the Fund.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- capital erosion risk (Series T5 and Series FT5 units only);
- specialization risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

For all series other than Series T5 and Series FT5 units, all net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee distributions.

For Series T5 and Series FT5 units, the Fund intends to make regular monthly distributions. The dollar amount of your monthly distribution is reset at the beginning of each calendar year. It is a factor of the payout rate for Series T5 and Series FT5 units (which is expected to remain at or about 5%), the unit value as of the end of the previous calendar year, and the number of units of the Fund you own at the time of the distribution. Although not expected, we may also adjust the monthly distribution during the year, without prior notification, if capital market conditions have significantly affected the ability to maintain the payout rate for Series T5 and Series FT5 units.

For Series T5 and Series FT5 units, any income or capital gains not distributed previously in the year will be distributed in December. These additional year-end distributions will be reinvested in additional units of the Fund in order to maintain the payout rate even if you have elected to take your monthly distributions in cash.

The total amount of distributions for Series T5 or Series FT5 units for a year may exceed the units' share of the income and capital gains earned by the Fund in that year. This excess amount will be treated as a return of capital to the unitholder. Return of capital represents a return to the investor of a portion of their own invested capital. This excess amount will not be taxable to you in the year of receipt. The part of the distribution that is a return of capital will reduce the ACB per unit of your units. If you hold units in a non-registered account and if you receive your distributions in cash, the amount of the reduction in your ACB of your units will be realized as a larger capital gain (or reduced capital loss) in any year in which you redeem your units. If you hold your units in a registered account, the amount of the reduction in your ACB of your units will have no impact on the amount that is subject to tax when withdrawal from the registered account occurs. For further information on the tax implications you should consult your tax advisor. Series T5 and Series FT5 units are designed primarily to be held in a non-registered account.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Conservative Equity Income Fund

FUND DETAILS			
Type of fund	Canadian equity		
Date started[1]	Series A – February 27, 2023[2] Series F – August 20, 2018	Series O – June 26, 2015	
Eligibility	The Conservative Equity Income Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[3]	Administration fee
	Series A Series F Series O	1.60% 0.60% –	0.10% 0.10% 0.05%

1 Although the Fund was created in April 2012, we did not offer units for sale under a simplified prospectus until June 26, 2015. Before June 26, 2015, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 Although Series A was qualified for sale under a simplified prospectus on June 28, 2018, it was not made available for purchase by investors until February 27, 2023.

3 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objective of the Fund is to provide a high and sustainable level of income, with the potential for capital appreciation and an emphasis on stable returns.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we invest primarily in dividend-paying Canadian common shares and, to a lesser extent, preferred shares and bonds.

When selecting companies in which to invest, we generally focus on securities which offer an attractive current yield combined with the following characteristics:

- superior management;
- industry leadership;
- a high level of profitability relative to others in that industry;
- a sound financial position;
- strong earnings and dividend growth; and
- a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, please see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 20% of its net asset value in non-Canadian securities.

Phillips, Hager & North Conservative Equity Income Fund

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

› market risk;

› income trust risk;

› currency risk;

› foreign investment risk;

› ESG integration risk;

› derivatives risk;

› multiple series risk;

› securities lending, repurchase and reverse repurchase risk;

› large investor risk; and

› cyber security risk.

As at May 31, 2023, two investors held 59.9% and 19.7%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Investment risk classification

As this Fund has less than 10 years of performance history, we calculate the investment risk level for this Fund using a reference index. The Fund's risk classification is based on the Fund's returns and the returns of the S&P/TSX Capped Composite Total Return Index.

The S&P/TSX Capped Composite Total Return Index tracks the performance of the Canadian equity market. The index imposes capped weights of 10% on all of the constituents in the S&P/TSX Composite Index.

For more information see *Investment risk classification methodology* on page 58.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Equity Underlying Fund

FUND DETAILS			
Type of fund	Canadian equity		
Date started	Series O[1] – January 31, 2011		
Eligibility	The Canadian Equity Underlying Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series O	–	0.02%

1 Another series of units of the Fund exists, but is not offered under this Simplified Prospectus. The rights attached to this other series of units do not affect the rights attached to the series of units offered in this Simplified Prospectus.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide significant long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks. The Fund is expected to be used primarily as an underlying fund for other mutual funds but may also be sold directly to other investors.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

The Fund is expected to be used primarily as an underlying fund for other mutual funds but may also be sold directly to other investors.

To achieve the Fund's investment objectives we will focus primarily on larger capitalization stocks. We generally look for growth companies to invest in that have:

› superior management;

› industry leadership;

› a high level of profitability compared to their competitors;

› a sound financial position;

› strong earnings growth; and

› a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, please see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 10% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

Phillips, Hager & North Canadian Equity Underlying Fund

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, four investors held 33.9%, 26.5%, 13.6% and 10.5%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income and net realized capital gains is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Equity Underlying Fund II

FUND DETAILS			
Type of fund	Canadian equity		
Date started	Series F – August 20, 2018		Series O – August 11, 2014
Eligibility	The Canadian Equity Underlying Fund II is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series F	0.60%	0.10%
	Series O	–	0.02%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

The Fund is expected to be used primarily as an underlying fund for other mutual funds.

To achieve the Fund's investment objectives we will focus primarily on stocks with market capitalization greater than $1 billion. We generally look for growth companies to invest in that have:

› superior management;

› industry leadership;

› a high level of profitability compared to their competitors;

› a sound financial position;

› strong earnings growth; and

› a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, please see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. The Fund may invest no more than 10% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in this Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, two investors held 51.4% and 26.8%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Investment risk classification

As this Fund has less than 10 years of performance history, we calculate the investment risk level for this Fund using a reference index. The Fund's risk classification is based on the Fund's returns and the returns of the S&P/TSX Capped Composite Total Return Index.

The S&P/TSX Capped Composite Total Return Index tracks the performance of the Canadian equity market. The index imposes capped weights of 10% on all of the constituents in the S&P/TSX Composite Index.

For more information see *Investment risk classification methodology* on page 58.

Distribution policy

A distribution of net income and net realized capital gains is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Growth Fund

FUND DETAILS			
Type of fund	Canadian focused equity		
Date started	Series A – November 30, 2008 Series D – February 28, 1987 Series F – October 31, 2008	Series O – October 31, 2002	
Eligibility	The Canadian Growth Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series O	–	0.04%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide significant long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks, as well as U.S. and international securities.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we generally look for growth companies to invest in that have:

- superior management;
- industry leadership;
- a high level of profitability compared to their competitors;
- a well-capitalized, sound financial position;
- above-average earnings growth; and
- a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 50% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- specialization risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, two investors held 54.3% and 25.3%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Income Fund

FUND DETAILS			
Type of fund	Canadian small/mid cap equity		
Date started[1]	Series A – November 30, 2008 Series D – June 30, 2005 Series F – June 30, 2007	Series O – September 30, 2005	
Eligibility	The Canadian Income Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series A	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series O	–	0.06%

1 Although the Fund was created in July 2003, we did not offer units for sale under a simplified prospectus until June 2005. Before June 2005, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide a reasonably consistent level of income while attempting to preserve capital by investing primarily in a well-diversified portfolio of income-producing Canadian common stocks, bonds, income trusts, real estate investment trusts, and money market securities.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we invest primarily in:

› common stocks of high-quality growth companies;

› bonds of the Canadian government, provincial governments, and quality Canadian corporations;

› high-quality income trusts or real estate investment trusts; and

› high-quality money market securities, including asset-backed commercial paper.

When selecting companies to invest in, we generally look for:

› superior management;

› industry leadership;

› a high level of profitability relative to others in that industry;

› a sound financial position;

› strong earnings and dividend growth; and

› a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

Phillips, Hager & North Canadian Income Fund

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 25% of its net asset value in non-Canadian securities.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- interest rate risk;
- credit risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, three investors held 42.9%, 23.8% and 15.1%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is typically made on a monthly basis. **The monthly distribution may also include a return of capital. Return of capital represents a return to the investor of a portion of their own invested capital.** Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. Net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Vintage Fund

FUND DETAILS			
Type of fund	Canadian equity		
Date started	Series A – November 30, 2008 Series D – April 30, 1986 Series F – June 30, 2008		Series O – October 31, 2002
Eligibility	The Vintage Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	1.85%	0.10%
	Series D	1.10%	0.10%
	Series F	0.85%	0.10%
	Series O	–	0.06%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth and dividend income by investing primarily in a well-diversified portfolio of common stocks of Canadian corporations listed on the Toronto Stock Exchange.

The fundamental investment objectives of the Fund may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's objectives, we generally invest in companies that have:

- superior management teams;
- a leadership position in their industry; and
- the potential for attractive profitability and earnings growth.

The Fund's investments may also emphasize small capitalization securities when valuation levels are attractive.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 50% of its net asset value in non-Canadian securities.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

Phillips, Hager & North Vintage Fund

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Small Float Fund

FUND DETAILS			
Type of fund	Canadian small/mid cap equity		
Date started[1]	Series A – June 29, 2021 Series D – June 29, 2021 Series F – October 31, 2002	Series O – July 30, 2002	
Eligibility	The Small Float Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series A	1.75%	0.10%
	Series D	1.00%	0.10%
	Series F	0.75%	0.10%
	Series O	–	0.00%

1 Although the Fund was created in February 1994, we did not offer units for sale under a simplified prospectus until July 2002. Before July 2002, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objective of the Fund is to provide long-term capital growth by investing primarily in a well-diversified portfolio of Canadian equity securities of smaller capitalized corporations.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we generally invest in small capitalization or less-liquid high-quality growth companies that have:

› superior management;

› industry leadership;

› a high level of profitability compared to their competitors;

› a sound financial position;

› strong earnings growth; and

› a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 10% of its net asset value in non-Canadian securities.

Phillips, Hager & North Small Float Fund

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- small capitalization risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- liquidity risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 20.5% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North U.S. Dividend Income Fund

FUND DETAILS			
Type of fund	U.S. equity		
Date started[1]	Series A – November 30, 2008 Series D – July 31, 2002 Series F – October 31, 2008		Series O – October 31, 2002
Eligibility	The U.S. Dividend Income Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series A	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series O	–	0.07%

1 Although the Fund was created in May 2002, we did not offer units for sale under a simplified prospectus until July 2002. Before July 2002, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth and income, by investing primarily in a well-diversified portfolio of dividend income-producing U.S. securities that have a relatively high yield.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we invest primarily in U.S. common shares that pay dividends or have prospects of paying or growing their dividends and, to a lesser extent, preferred shares and bonds.

When selecting companies to invest in, we generally focus on securities which offer an attractive current yield combined with the following characteristics:

› superior management;

› industry leadership;

› a high level of profitability relative to others in that industry;

› a sound financial position;

› strong earnings and dividend growth; and

› a reasonable valuation.

We do not use market or industry sector timing strategies. Instead, when we select securities, we look for those with attractive valuations relative to their longer-term growth prospects. While we constantly monitor the liquidity levels of the Fund to ensure that adequate cash is available to meet anticipated demands, generally the Fund will be fully invested. The Fund will typically be invested in relatively mature, yet growing businesses and will be under-represented in the small capitalization, resource, technology and transport sectors, as compared to broader equity market indices.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- interest rate risk;
- credit risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund

FUND DETAILS			
Type of fund	U.S. equity		
Date started	Series A – June 30, 2010 Series D – June 30, 2010 Series F – June 30, 2010		Series O – June 30, 2010
Eligibility	The U.S. Multi-Style All-Cap Equity Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series A	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series O	–	0.05%
Portfolio Sub-Advisor	RBC Global Asset Management (U.S.) Inc. is our sub-advisor with respect to the Fund. For further information, see the heading *Portfolio advisor – Sub-advisors – RBC GAM U.S.* on page 8.		

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth primarily through exposure to a well-diversified portfolio of U.S. equity securities.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we invest in U.S. equity securities with the objective of building a portfolio that encompasses multiple investment styles. The Fund's portfolio will be comprised of investment styles which are managed as separate portfolios within the Fund and may include: U.S. Large Cap Growth, U.S. Mid Cap Growth, U.S. Large Cap Value, U.S. Mid Cap Value, U.S. Small/Mid Cap Growth, U.S. Small Cap Core and U.S. Small Cap Value.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions without prior notice, as permitted by applicable securities laws, to earn additional income for the Fund or for any other purpose compatible with the investment objectives and strategies of the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- small capitalization risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, four investors held 34.4%, 24.8%, 11.8% and 10.0%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North U.S. Equity Fund

FUND DETAILS			
Type of fund	U.S. equity		
Date started	Series A – November 30, 2008 Series D – September 30, 1964 Series F – June 30, 2007	Series O – October 31, 2002	
Eligibility	The U.S. Equity Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series A	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series O	–	0.02%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide significant long-term capital growth by investing primarily in a well-diversified portfolio of quality U.S. common stocks.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we generally look for growth companies to invest in that have:

- superior management;
- industry leadership;
- a high level of profitability compared to their competitors;
- a sound financial position;
- strong earnings growth; and
- a reasonable valuation.

Fund investments are diversified across all major industry sectors. Although the Fund's investments in industries experiencing accelerating growth may be over-represented, this will generally be offset by under-representation from industries whose growth is decelerating. Typically the Fund is fully invested.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 14.6% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Currency-Hedged U.S. Equity Fund

FUND DETAILS			
Type of fund	U.S. equity		
Date started	Series A – November 30, 2008 Series D – June 30, 2006 Series F – December 31, 2007		Series O – June 30, 2006
Eligibility	The Currency-Hedged U.S. Equity Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series A	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series O	–	0.10%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide significant long-term capital growth primarily through exposure to a well-diversified portfolio of quality U.S. common stocks, while minimizing currency risk. To achieve these objectives, the Fund will invest primarily in units of other funds managed by RBC GAM.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we may invest a significant portion or even all of the net asset value of the Fund in the U.S. Equity Fund or other underlying funds managed by RBC GAM. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

The Underlying Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

The Fund will use derivatives to hedge against fluctuations in the value of the U.S. dollar relative to the Canadian dollar. In addition, the Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

The Underlying Fund or other underlying funds managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

› market risk;

› concentration risk;

› foreign investment risk;

› transaction cost risk;

› ESG integration risk;

› derivatives risk;

› liquidity risk;

› multiple series risk;

› securities lending, repurchase and reverse repurchase risk; and

› cyber security risk.

During the 12-month period prior to May 31, 2023, up to 103.6% of the net asset value of the Fund was invested in units of the U.S. Equity Fund. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

Although the Fund will use derivatives to hedge against the fluctuations in the value of the U.S. dollar relative to the Canadian dollar, there is no guarantee that the use of derivatives will fully protect the Fund's assets against losses from exposure to the U.S. dollar. The use of derivatives to protect the Fund against a rise in the value of the Canadian dollar relative to the U.S. dollar will not eliminate the fluctuations in the price of portfolio securities nor prevent losses should the prices of portfolio securities decline. These strategies will also limit the opportunity for gain as a result of an increase in the value of the U.S. dollar relative to the Canadian dollar.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North U.S. Growth Fund

FUND DETAILS			
Type of fund	U.S. equity		
Date started	Series A – November 30, 2008 Series D – September 30, 1992 Series F – October 31, 2008		Series O – October 31, 2002
Eligibility	The U.S. Growth Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[1]	Administration fee
	Series A	1.60%	0.10%
	Series D	0.85%	0.10%
	Series F	0.60%	0.10%
	Series O	–	0.07%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve significant long-term capital growth by investing primarily in a well-diversified portfolio of North American common stocks.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we invest in growth companies in the United States and, to a lesser extent, Canada and Mexico. We generally look for companies to invest in that have:

› superior management;

› industry leadership;

› a high level of profitability compared to their competitors;

› a sound financial position;

› strong earnings growth; and

› a reasonable valuation.

The Fund's investments are diversified across all major industry sectors. However, the Fund will be typically over-represented in smaller mid-sized companies with faster growth than larger, more mature companies.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest up to 100% of its net asset value in foreign securities.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- specialization risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Overseas Equity Fund

FUND DETAILS			
Type of fund	International equity		
Date started[1,2]	Series A – November 30, 2008 Series AZ – January 24, 2022 Series D – December 31, 2000 Series DZ – January 24, 2022	Series F – June 30, 2007 Series FZ – January 24, 2022 Series O – October 31, 2002	
Eligibility	The Overseas Equity Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[3]	Administration fee
	Series A	1.75%	0.15%
	Series AZ	1.75%	0.09%
	Series D	1.00%	0.15%
	Series DZ	1.00%	0.09%
	Series F	0.75%	0.15%
	Series FZ	0.75%	0.09%
	Series O	–	0.02%
Portfolio Sub-Advisor	RBC Global Asset Management (UK) Limited is our sub-advisor with respect to the Fund. For further information, see the heading *Portfolio advisor – Sub-advisors – RBC GAM UK* on page 7.		

1 Effective September 15, 2021, Series A, D, F and O units of the Overseas Equity Fund are no longer available for purchase by new investors. Investors who held such units of the Overseas Equity Fund on September 15, 2021 can continue to make additional investments into the Overseas Equity Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates, that may invest in the Overseas Equity Fund. Please contact us or your dealer for more information.

2 Effective April 8, 2022, Series AZ, Series DZ and Series FZ units of the Overseas Equity Fund are no longer available for purchase by new investors. Investors who held Series AZ, Series DZ and Series FZ units of the Overseas Equity Fund on April 8, 2022 can continue to make additional purchases in Series AZ, Series DZ and Series FZ units of the Overseas Equity Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates that may invest in the Overseas Equity Fund. Please contact us or your dealer for more information.

3 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve long-term capital growth by investing primarily in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside North America, including countries in Europe and the Far East, including Japan and Australia. This Fund is different from the Global Equity Fund because the primary focus of its investments does not include companies in the United States.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we or our sub-advisor will generally invest in companies that are attractively valued and that have:

- superior management;
- industry leadership;
- a high level of profitability compared to their competitors;
- a sound financial position; and
- strong earnings growth.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

We may invest up to 10% of the Fund's net asset value in units of other mutual funds managed by RBC GAM or an affiliate that are consistent with the investment objectives of the Fund. Investments in money market funds managed by RBC GAM or an affiliate are not subject to the 10% limit as permitted under NI 81-102.

The Fund has received exemptive relief to invest in German ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single German ETF and up to 20% of its net asset value in securities issued by German ETFs in aggregate.

The Fund has received exemptive relief to invest in UK Listed ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single UK Listed ETF and up to 20% of its net asset value in securities issued by UK Listed ETFs in aggregate.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- currency risk;
- foreign investment risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Currency-Hedged Overseas Equity Fund

FUND DETAILS			
Type of fund	International equity		
Date started[1]	Series A – November 30, 2008 Series D – June 30, 2006 Series F – December 31, 2007	Series O – June 30, 2006	
Eligibility	The Currency-Hedged Overseas Equity Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series A	1.75%	0.15%
	Series D	1.00%	0.15%
	Series F	0.75%	0.15%
	Series O	–	0.02%

1 Effective September 15, 2021, units of the Currency-Hedged Overseas Equity Fund are no longer available for purchase by new investors. Investors who held units of the Currency-Hedged Overseas Equity Fund on September 15, 2021 can continue to make additional investments into the Currency-Hedged Overseas Equity Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates, that may invest in the Currency-Hedged Overseas Equity Fund. Please contact us or your dealer for more information.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve long-term capital growth primarily through exposure to a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside North America, including countries in Europe and the Far East, including Japan and Australia, while minimizing currency risk. To achieve these objectives, the Fund will invest primarily in units of other funds managed by RBC GAM.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we may invest a significant portion or even all of the net asset value of the Fund in the Overseas Equity Fund or other underlying funds managed by RBC GAM. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

The Underlying Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

The Fund will use derivatives to hedge against fluctuations in the value of foreign currencies relative to the Canadian dollar. In addition, the Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

The Underlying Fund or other underlying funds managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- concentration risk;
- foreign investment risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- liquidity risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk; and
- cyber security risk.

During the 12-month period prior to May 31, 2023, up to 103.8% of the net asset value of the Fund was invested in units of the Overseas Equity Fund. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

Although the Fund will use derivatives to hedge against the fluctuations in the value of foreign currencies relative to the Canadian dollar, there is no guarantee that the use of derivatives will fully protect the Fund's assets against losses from exposure to foreign currencies. The use of derivatives to protect the Fund against a rise in the value of the Canadian dollar relative to foreign currencies will not eliminate the fluctuations in the price of portfolio securities nor prevent losses, should the prices of portfolio securities decline. These strategies will also limit the opportunity for gain as a result of an increase in the value of foreign currencies relative to the Canadian dollar. To the extent the Fund enters into securities lending transactions, repurchase transactions or reverse repurchase transactions, the Fund has securities lending, repurchase and reverse repurchase risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Global Equity Fund

FUND DETAILS			
Type of fund	Global equity		
Date started[1, 2]	Series A – November 30, 2008 Series D – December 31, 2000 Series F – December 31, 2007	Series O – October 31, 2002	
Eligibility	The Global Equity Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[3]**	**Administration fee**
	Series A	1.75%	0.10%
	Series D	1.00%	0.10%
	Series F	0.75%	0.10%
	Series O	–	0.02%
Portfolio Sub-Advisor	RBC Global Asset Management (UK) Limited is our sub-advisor with respect to the Fund. For further information, see the heading *Portfolio advisor – Sub-advisors – RBC GAM UK* on page 7.		

1 Although the Fund was created in September 2000, we did not offer units for sale under a simplified prospectus until December 2000. Before December 2000, units of the Fund were offered for sale in reliance on exemptions from prospectus requirements of applicable securities laws.

2 Effective September 15, 2021, units of the Global Equity Fund are no longer available for purchase by new investors. Investors who held units of the Global Equity Fund on September 15, 2021 can continue to make additional investments into the Global Equity Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates, that may invest in the Global Equity Fund. Please contact us or your dealer for more information.

3 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve long-term capital growth by investing primarily in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside Canada, including the United States, and countries in Europe and the Far East, including Japan and Australia.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we or our sub-advisor generally look for companies to invest in that have:

- superior management;
- industry leadership;
- a high level of profitability compared to their competitors;
- a sound financial position;
- strong earnings growth; and
- a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives, such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives.

Phillips, Hager & North Global Equity Fund

We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

The Fund has received exemptive relief to invest in German ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single German ETF and up to 20% of its net asset value in securities issued by German ETFs in aggregate.

The Fund has received exemptive relief to invest in UK Listed ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single UK Listed ETF and up to 20% of its net asset value in securities issued by UK Listed ETFs in aggregate.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 18.5% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2015 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – June 30, 2011 Series F – August 20, 2018		Series O – January 31, 2011
Eligibility	The LifeTime 2015 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series D	0.75%	0.05%
	Series F	0.50%	0.05%
	Series O	–	0.05%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2015 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to those that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2015. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

- determines the target weightings for each asset class;
- allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);
- rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;
- may hold a portion of its assets in cash or cash equivalent securities;
- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):
  - (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
  - (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;
- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

Phillips, Hager & North LifeTime 2015 Fund

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in Canada Mortgage Housing Corporation ("CMHC") insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

As of the date of this Simplified Prospectus, the Fund's target allocation is approximately as given below, and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2039
Fixed-income	**70.00%**	**72.00%**
Equity	**30.00%**	**28.00%**
Canadian equity	12.00%	11.00%
U.S. equity	9.00%	10.00%
International equity	9.00%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 26.3% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 52.6%, 18.2% and 16.3% of the net asset value of the Fund was invested in units of the Bond Fund, the RBC QUBE Low Volatility Global Equity Fund and the Inflation-Linked Bond Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2020 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – June 30, 2011 Series F – August 20, 2018		Series O – January 31, 2011
Eligibility	The LifeTime 2020 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series D	0.75%	0.05%
	Series F	0.50%	0.05%
	Series O	–	0.05%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2020 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2020. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

- determines the target weightings for each asset class;
- allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);
- rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;
- may hold a portion of its assets in cash or cash equivalent securities;
- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):
  - (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
  - (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;
- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

As of the date of this Simplified Prospectus, the Fund's target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2044
Fixed-income	**68.00%**	**72.00%**
Equity	**32.00%**	**28.00%**
Canadian equity	12.50%	11.00%
U.S. equity	9.75%	10.00%
International equity	9.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

› interest rate risk;

› credit risk;

› market risk;

› concentration risk;

› currency risk;

› foreign investment risk;

› income trust risk;

› small capitalization risk;

› specialization risk;

› target date funds risk;

› transaction cost risk;

› ESG integration risk;

› derivatives risk;

› multiple series risk;

› securities lending, repurchase and reverse repurchase risk;

› large investor risk; and

› cyber security risk.

As at May 31, 2023, one investor held 45.8% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 33.4%, 33.2% and 20.1% of the net asset value of the Fund was invested in units of the Bond Fund, the Inflation-Linked Bond Fund and the RBC QUBE Low Volatility Global Equity Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2025 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – June 30, 2011 Series F – August 20, 2018	Series O – January 31, 2011	
Eligibility	The LifeTime 2025 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series D	0.80%	0.05%
	Series F	0.55%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2025 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2025 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2025. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

› determines the target weightings for each asset class;

› allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);

› rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;

› may hold a portion of its assets in cash or cash equivalent securities;

› may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):

  (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and

  (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;

› may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

As of the date of this Simplified Prospectus, the Fund's target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2025	2049
Fixed-income	**62.00%**	**65.00%**	**72.00%**
Equity	**38.00%**	**35.00%**	**28.00%**
Canadian equity	12.75%	12.50%	11.00%
U.S. equity	13.15%	11.75%	10.00%
International equity	12.10%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 64.3% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 53.6% and 19.2% of the net asset value of the Fund was invested in units of the Inflation-Linked Bond Fund and the RBC QUBE Low Volatility Global Equity Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Phillips, Hager & North LifeTime 2025 Fund

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2030 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – June 30, 2011 Series F – August 20, 2018		Series O – January 31, 2011
Eligibility	The LifeTime 2030 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series D	0.85%	0.05%
	Series F	0.60%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2030 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	0.80%
		Series F	0.55%
	January 1, 2030	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2030 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2030. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

- determines the target weightings for each asset class;
- allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);
- rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;
- may hold a portion of its assets in cash or cash equivalent securities;
- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):
  (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
  (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;
- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could

engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

As of the date of this Simplified Prospectus, the Fund's target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2030	2054
Fixed-income	**56.00%**	**65.00%**	**72.00%**
Equity	**44.00%**	**35.00%**	**28.00%**
Canadian equity	13.25%	12.50%	11.00%
U.S. equity	15.75%	11.75%	10.00%
International equity	15.00%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 74.8% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 29.2%, 25.8% and 13.5% of the net asset value of the Fund was invested in units of the Inflation-Linked Bond Fund, the Long Inflation-linked Bond Fund and the RBC QUBE Low Volatility Global Equity Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2035 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – June 30, 2011 Series F – August 20, 2018		Series O – January 31, 2011
Eligibility	The LifeTime 2035 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series D	0.90%	0.05%
	Series F	0.65%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2035 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	0.85%
		Series F	0.60%
	January 1, 2030	Series D	0.80%
		Series F	0.55%
	January 1, 2035	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2035 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2035. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

- determines the target weightings for each asset class;
- allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);
- rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;
- may hold a portion of its assets in cash or cash equivalent securities;
- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):
  - (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
  - (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;
- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management

tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

As of the date of this Simplified Prospectus, the Fund's target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2035	2059
Fixed-income	**54.00%**	**65.00%**	**72.00%**
Equity	**46.00%**	**35.00%**	**28.00%**
Canadian equity	13.25%	12.50%	11.00%
U.S. equity	16.60%	11.75%	10.00%
International equity	16.15%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 80.5% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 46.0% and 10.5% of the net asset value of the Fund was invested in units of the Long Inflation-linked Bond Fund and the RBC Global Equity Focus Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Phillips, Hager & North LifeTime 2035 Fund

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2040 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – June 30, 2011 Series F – August 20, 2018	Series O – January 31, 2011	
Eligibility	The LifeTime 2040 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series D	0.95%	0.05%
	Series F	0.70%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2040 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	0.90%
		Series F	0.65%
	January 1, 2030	Series D	0.85%
		Series F	0.60%
	January 1, 2035	Series D	0.80%
		Series F	0.55%
	January 1, 2040	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2040 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2040. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

- determines the target weightings for each asset class;
- allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);
- rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;
- may hold a portion of its assets in cash or cash equivalent securities;
- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):

(i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and

(ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;

- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

The Fund's current target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2040	2064
Fixed-income	**52.00%**	**65.00%**	**72.00%**
Equity	**48.00%**	**35.00%**	**28.00%**
Canadian equity	13.25%	12.50%	11.00%
U.S. equity	17.50%	11.75%	10.00%
International equity	17.25%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 84.5% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

Phillips, Hager & North LifeTime 2040 Fund

During the 12-month period prior to May 31, 2023, up to 43.5% and 13.1% of the net asset value of the Fund was invested in units of the Long Inflation-linked Bond Fund and the RBC Global Equity Focus Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2045 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – June 30, 2011 Series F – August 20, 2018	Series O – January 31, 2011	
Eligibility	The LifeTime 2045 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series D	1.00%	0.05%
	Series F	0.75%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2045 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	0.95%
		Series F	0.70%
	January 1, 2030	Series D	0.90%
		Series F	0.65%
	January 1, 2035	Series D	0.85%
		Series F	0.60%
	January 1, 2040	Series D	0.80%
		Series F	0.55%
	January 1, 2045	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2045 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2045. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

› determines the target weightings for each asset class;

› allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);

› rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;

› may hold a portion of its assets in cash or cash equivalent securities;

› may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):

(i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
(ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;

- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

The Fund's current target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2045	2069
Fixed-income	**45.00%**	**65.00%**	**72.00%**
Equity	**55.00%**	**35.00%**	**28.00%**
Canadian equity	14.00%	12.50%	11.00%
U.S. equity	20.24%	11.75%	10.00%
International equity	20.76%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 90.3% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

Phillips, Hager & North LifeTime 2045 Fund

During the 12-month period prior to May 31, 2023, up to 37.4% and 16.3% of the net asset value of the Fund was invested in units of the Long Inflation-linked Bond Fund and the RBC Global Equity Focus Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2050 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – August 11, 2014 Series F – August 20, 2018	Series O – August 11, 2014	
Eligibility	The LifeTime 2050 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series D	1.05%	0.05%
	Series F	0.80%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2050 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	1.00%
		Series F	0.75%
	January 1, 2030	Series D	0.95%
		Series F	0.70%
	January 1, 2035	Series D	0.90%
		Series F	0.65%
	January 1, 2040	Series D	0.85%
		Series F	0.60%
	January 1, 2045	Series D	0.80%
		Series F	0.55%
	January 1, 2050	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2050 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2050. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

› determines the target weightings for each asset class;

› allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);

› rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;

› may hold a portion of its assets in cash or cash equivalent securities;

- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):
  - (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
  - (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;
- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

The Fund's current target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2050	2074
Fixed-income	**37.00%**	**65.00%**	**72.00%**
Equity	**63.00%**	**35.00%**	**28.00%**
Canadian equity	15.86%	12.50%	11.00%
U.S. equity	23.22%	11.75%	10.00%
International equity	23.92%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, one investor held 88.5% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 28.5%, 18.0% and 10.2% of the net asset value of the Fund was invested in units of the Long Inflation-linked Bond Fund, the RBC Global Equity Focus Fund and the RBC Emerging Markets Equity Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Investment risk classification

As this Fund has less than 10 years of performance history, we calculate the investment risk level for this Fund using reference indices. The Fund's risk classification is based on the Fund's returns and the returns of a blended index composed of the FTSE Canada 30 Day T-Bill Index (1.00%), Long Canadian Government Real Return Bond Custom Index (28.00%), FTSE Canada Universe Bond Index (5.00%), Canadian Consumer Price Index (non-seasonally adjusted) one month lag + 400 bps (3.00%), S&P/TSX Capped Composite Total Return Index (15.86%), Russell 3000 Total Return Index (6.44%), MSCI US REIT Index (2.00%), MSCI World Net Index (29.55%) and MSCI Emerging Markets Net Index (9.15%). The Fund's asset mix will change gradually over time.

The FTSE Canada 30 Day T-Bill Index tracks the performance of Government of Canada one month Treasury Bills. The Long Canadian Government Real Return Bond Custom Index tracks the performance of long-term Government of Canada real return bonds. The FTSE Canada Universe Bond Index tracks the performance of the Canadian investment grade, fixed-income market, including Government of Canada, provincial and corporate bonds. The Canadian Consumer Price Index tracks the changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services. The S&P/TSX Capped Composite Total Return Index tracks the performance of the Canadian equity market. The index imposes capped weights of 10% on all of the constituents in the S&P/TSX Composite Index. The Russell 3000 Total Return Index tracks the performance of the 3,000 largest U.S.-traded stocks, in which the underlying companies are all incorporated in the U.S. The MSCI US REIT Index tracks the performance of equity Real Estate Investment Trusts (REITs) in the U.S. It captures large-, mid- and small-cap segments of the U.S. markets and represents U.S. REITs and equity securities that are classified in the Real Estate sector as per the Global Industry Classification Standard. The MSCI World Net Index is a free float-adjusted market capitalization index that tracks the equity market performance of developed markets, which currently consists of 23 countries. The MSCI Emerging Markets Net Index is a free float-adjusted market capitalization index that tracks the equity market performance of emerging markets, which currently consists of 23 emerging market countries. Index returns are shown in Canadian dollars.

For more information see *Investment risk classification methodology* on page 58.

Distribution policy

A distribution of net income is made annually in December. If and when the Fund offers other series of units, net income and net realized capital gains may be distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2055 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – October 9, 2018 Series F – October 9, 2018	Series O – October 9, 2018	
Eligibility	The LifeTime 2055 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee**[1]	**Administration fee**
	Series D	1.10%	0.05%
	Series F	0.85%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2055 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	1.05%
		Series F	0.80%
	January 1, 2030	Series D	1.00%
		Series F	0.75%
	January 1, 2035	Series D	0.95%
		Series F	0.70%
	January 1, 2040	Series D	0.90%
		Series F	0.65%
	January 1, 2045	Series D	0.85%
		Series F	0.60%
	January 1, 2050	Series D	0.80%
		Series F	0.55%
	January 1, 2055	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2055 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2055. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

› determines the target weightings for each asset class;

› allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);

› rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;

› may hold a portion of its assets in cash or cash equivalent securities;

- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):
  - (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
  - (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;
- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

The Fund's current target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2055	2079
Fixed-income	**27.00%**	**65.00%**	**72.00%**
Equity	**73.00%**	**35.00%**	**28.00%**
Canadian equity	18.46%	12.50%	11.00%
U.S. equity	26.67%	11.75%	10.00%
International equity	27.87%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

Phillips, Hager & North LifeTime 2055 Fund

As at May 31, 2023, one investor held 83.5% of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 18.5%, 17.2%, 15.1% and 11.2% of the net asset value of the Fund was invested in units of the Long Inflation-linked Bond Fund, the RBC Global Equity Leaders Fund, the RBC Global Equity Focus Fund and the RBC Emerging Markets Equity Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Investment risk classification

As this Fund has less than 10 years of performance history, we calculate the investment risk level for this Fund using reference indices. The Fund's risk classification is based on the Fund's returns and the returns of a blended index composed of the FTSE Canada 30 Day T-Bill Index (1.00%), Long Canadian Government Real Return Bond Custom Index (18.00%), FTSE Canada Universe Bond Index (5.00%), Canadian Consumer Price Index (non-seasonally adjusted) one month lag + 400 bps (3.00%), S&P/TSX Capped Composite Total Return Index (18.46%), Russell 3000 Total Return Index (7.45%), MSCI US REIT Index (2.00%), MSCI World Net Index (34.44%) and MSCI Emerging Markets Net Index (10.65%). The Fund's asset mix will change gradually over time.

The FTSE Canada 30 Day T-Bill Index tracks the performance of Government of Canada one month Treasury Bills. The Long Canadian Government Real Return Bond Custom Index tracks the performance of long-term Government of Canada real return bonds. The FTSE Canada Universe Bond Index tracks the performance of the Canadian investment grade, fixed-income market, including Government of Canada, provincial and corporate bonds. The Canadian Consumer Price Index tracks the changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services. The S&P/TSX Capped Composite Total Return Index tracks the performance of the Canadian equity market. The index imposes capped weights of 10% on all of the constituents in the S&P/TSX Composite Index. The Russell 3000 Total Return Index tracks the performance of the 3,000 largest U.S.-traded stocks, in which the underlying companies are all incorporated in the U.S. The MSCI US REIT Index tracks the performance of equity Real Estate Investment Trusts (REITs) in the U.S. It captures large-, mid- and small-cap segments of the U.S. markets and represents U.S. REITs and equity securities that are classified in the Real Estate sector as per the Global Industry Classification Standard. The MSCI World Net Index is a free float-adjusted market capitalization index that tracks the equity market performance of developed markets, which currently consists of 23 countries. The MSCI Emerging Markets Net Index is a free float-adjusted market capitalization index that tracks the equity market performance of emerging markets, which currently consists of 23 emerging market countries. Index returns are shown in Canadian dollars.

For more information see *Investment risk classification methodology* on page 58.

Distribution policy

A distribution of net income and net realized capital gains, if any, is made annually in December. Net income and net realized capital gains may also be distributed periodically as management fee distributions.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North LifeTime 2060 Fund

FUND DETAILS			
Type of fund	Target date		
Date started	Series D – July 6, 2020 Series F – July 6, 2020	Series O – July 6, 2020	
Eligibility	The LifeTime 2060 Fund is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series D	1.15%	0.05%
	Series F	0.90%	0.05%
	Series O	–	0.05%
	As the Fund approaches its target retirement date, management fees will decrease by 5 basis points on January 1st for every five years until the target retirement date of the Fund in the year 2060 as follows:		
	Effective date	**Series**	**Management fee**
	January 1, 2025	Series D	1.10%
		Series F	0.85%
	January 1, 2030	Series D	1.05%
		Series F	0.80%
	January 1, 2035	Series D	1.00%
		Series F	0.75%
	January 1, 2040	Series D	0.95%
		Series F	0.70%
	January 1, 2045	Series D	0.90%
		Series F	0.65%
	January 1, 2050	Series D	0.85%
		Series F	0.60%
	January 1, 2055	Series D	0.80%
		Series F	0.55%
	January 1, 2060	Series D	0.75%
		Series F	0.50%

1 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to achieve a balance of income and long-term capital growth relative to its target retirement date of 2060 by investing primarily in investment funds that invest in equity, fixed-income, income trust and money market securities and ETFs, or by investing directly in such securities.

The fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund intends to invest primarily in Underlying Funds. The Fund seeks to achieve its investment strategies by investing in two broad asset classes: equities and fixed-income, either directly or indirectly through Underlying Funds and ETFs. ETFs purchased by the Fund will initially be limited to ETFs that track the investment performance of broad based real estate investment trust indices but may include other ETFs where permitted by applicable securities laws.

At all times, the Fund will use a dynamic asset mix or glidepath that adjusts the asset mix of the Fund relative to its target date of 2060. For more information, please see the section *The PH&N LifeTime Funds* on page 54 of this Simplified Prospectus.

The Fund's portfolio manager, among other things:

- determines the target weightings for each asset class;
- allocates assets among the Underlying Funds and the ETFs within the target weightings determined by the asset allocation strategy for the Fund (excluding cash and cash equivalents);
- rebalances the Fund's assets to the glidepath on a quarterly basis at a minimum to maintain the then current target allocation and subject to keeping the Fund within permitted tolerances;

- may hold a portion of its assets in cash or cash equivalent securities;
- may, in conjunction with the Underlying Fund's other strategies, use derivatives as permitted by NI 81-102 and/or as permitted under the terms of exemptive relief from applicable securities legislation that may have been obtained by the Underlying Funds (see *Exemptions and approvals* on page 35 and *Derivatives risk* on page 48):
  - (i) for hedging purposes to protect against losses or reduce volatility resulting from changes in interest rates and market indices; and
  - (ii) for non-hedging purposes as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments;
- may, in conjunction with the Underlying Fund's other strategies, enter into securities lending, repurchase and reverse repurchase transactions, as permitted by applicable securities laws, to generate additional income and/or as a short-term management tool (the Fund does not currently enter into these types of transactions, but for more information on how the Fund could engage in these types of transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45).

The Fund may directly invest a portion of its net asset value in foreign securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in foreign securities, as of the date of this Simplified Prospectus we do not expect that the Fund will directly invest more than 20% of its net asset value in foreign securities.

We may invest up to 100% of the Fund's net asset value in units of other funds managed by RBC GAM or its affiliates. We will only invest in units of other funds where the investment is compatible with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws.

Certain of the Underlying Funds may from time to time invest up to 10% of their net asset value in (i) assets of other investment funds managed by RBC GAM or its affiliates; or (ii) in CMHC insured mortgages as permitted by NI 81-102.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

About the asset allocation strategy

The Fund will be exposed to two broad asset classes: equities and fixed-income, in the weightings set out in the table below. We may, at our sole discretion, modify the asset mix, or the percentage of the Fund's assets invested in any particular asset at any time.

The Fund's current target allocation is approximately as given below and such allocations may vary based on changes in the market, the portfolio manager's assessment of the market outlook and the Underlying Fund's ability to help the portfolio meet its stated investment objectives.

	2023	2060	2084
Fixed-income	**24.00%**	**65.00%**	**72.00%**
Equity	**76.00%**	**35.00%**	**28.00%**
Canadian equity	19.24%	12.50%	11.00%
U.S. equity	27.71%	11.75%	10.00%
International equity	29.05%	10.75%	7.00%

What are the risks of investing in the Fund?

The risks associated with an investment in this Fund are similar to the risks of investing in the Underlying Funds it holds. The Fund takes on the risk of an Underlying Fund in proportion to its investment in that Fund.

The principal risks associated with an investment in the Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- specialization risk;
- target date funds risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, two investors held 56.8% and 13.1%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 21.4%, 15.7%, 11.7% and 11.4% of the net asset value of the Fund was invested in units of the RBC Global Equity Leaders Fund, the Long Inflation-linked Bond Fund, the RBC Global Equity Focus Fund and the RBC Emerging Markets Equity Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Investment risk classification

As this Fund has less than 10 years of performance history, we calculate the investment risk level for this Fund using reference indices. The Fund's risk classification is based on the Fund's returns and the returns of a blended index composed of the FTSE Canada 30 Day T-Bill Index (1.00%), Long Canadian Government Real Return Bond Custom Index (15.00%), FTSE Canada Universe Bond Index (5.00%), Canadian Consumer Price Index (non-seasonally adjusted) one month lag + 400 bps (3.00%), S&P/TSX Capped Composite Total Return Index (19.24%), Russell 3000 Total Return Index (7.75%), MSCI US REIT Index (2.00%), MSCI World Net Index (35.91%) and MSCI Emerging Markets Net Index (11.10%). The Fund's asset mix will change gradually over time.

The FTSE Canada 30 Day T-Bill Index tracks the performance of Government of Canada one month Treasury Bills. The Long Canadian Government Real Return Bond Custom Index tracks the performance of long-term Government of Canada real return bonds. The FTSE Canada Universe Bond Index tracks the performance of the Canadian investment grade, fixed-income market, including Government of Canada, provincial and corporate bonds. The Canadian Consumer Price Index tracks the changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services. The S&P/TSX Capped Composite Total Return Index tracks the performance of the Canadian equity market. The index imposes capped weights of 10% on all of the constituents in the S&P/TSX Composite Index. The Russell 3000 Total Return Index tracks the performance of the 3,000 largest U.S.-traded stocks, in which the underlying companies are all incorporated in the U.S. The MSCI US REIT Index tracks the performance of equity Real Estate Investment Trusts (REITs) in the U.S. It captures large-, mid- and small-cap segments of the U.S. markets and represents U.S. REITs and equity securities that are classified in the Real Estate sector as per the Global Industry Classification Standard. The MSCI World Net Index is a free float-adjusted market capitalization index that tracks the equity market performance of developed markets, which currently consists of 23 countries. The MSCI Emerging Markets Net Index is a free float-adjusted market capitalization index that tracks the equity market performance of emerging markets, which currently consists of 23 emerging market countries. Index returns are shown in Canadian dollars.

For more information see *Investment risk classification methodology* on page 58.

Distribution policy

A distribution of net income and net realized capital gains, if any, is made annually in December. Net income and net realized capital gains may also be distributed periodically as management fee distributions.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Conservative Pension Trust

FUND DETAILS			
Type of fund	Global neutral balanced		
Date started	Series O[1] – July 15, 2019		
Eligibility	The Conservative Pension Trust is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[2]**	**Administration fee**
	Series O	–	0.01%

1 Another series of units of the Fund exists, but is not offered under this Simplified Prospectus. The rights attached to this other series of units do not affect the rights attached to the series of units offered in this Simplified Prospectus.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide income and the potential for long-term capital growth by investing primarily in a well-diversified, balanced portfolio of fixed-income and equity securities from anywhere around the world.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest a significant portion or even all of the net asset value of the Fund in other funds managed by RBC GAM. We will only invest in units of other funds where the investment is consistent with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws. For example, as at the date of this Simplified Prospectus, we intend to invest approximately 100% of the Fund's net asset value in units of other funds managed by RBC GAM. However, in the future we may not make these investments or may elect to make investments in other funds.

The Fund's investment strategy will be implemented without regard to the impact of greater trading activity or portfolio turnover which may result in less tax efficiency.

We do not typically make large shifts in the Fund's asset mix. Our investment philosophy is based on the following three principles:

- investments in high-quality common stocks represent an effective vehicle for creating wealth over the long term;
- wealth preservation and income objectives are best met by balancing common stock and fixed-income investments; and
- the cyclical nature of markets requires the timely adjustment of the mix of common stock and fixed-income investments to achieve superior investment results.

We employ a strategic asset allocation approach, determining the appropriate asset mix within broad pre-established guidelines for each asset class as set out in the following table:

Asset class	Target weighting
Fixed-income	60%
Canadian equities	13%
Global equities	24%
Emerging markets equities	3%

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will be no more than 15% above or below the target weighting for the fixed-income asset class and no more than 10% above or below the target weighting for the Canadian equities, global equities and emerging markets equities asset classes.

The Fund may use derivatives such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

Phillips, Hager & North Conservative Pension Trust

The Fund has received exemptive relief to invest in German ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single German ETF and up to 20% of its net asset value in securities issued by German ETFs in aggregate.

The Fund has received exemptive relief to invest in UK Listed ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single UK Listed ETF and up to 20% of its net asset value in securities issued by UK Listed ETFs in aggregate.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- interest rate risk;
- credit risk;
- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, two investors held 60.9% and 35.8%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 43.6%, 14.2%, 12.1% and 10.0% of the net asset value of the Fund was invested in units of the Bond Fund, the RBC Global Equity Leaders Fund, the RBC Global Bond Fund and the RBC QUBE Global Equity Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Investment risk classification

As this Fund has less than 10 years of performance history, we calculate the investment risk level for this Fund using reference indices. The Fund's risk classification is based on the Fund's return and the returns of a blended index composed of the FTSE Canada 30 Day T-Bill Index (1.00%), FTSE Canada Universe Bond Index (56.00%), Canadian Consumer Price Index (non-seasonally adjusted) one month lag + 400 bps (3.00%), S&P/TSX Capped Composite Total Return Index (13.00%), MSCI World Total Return Net Index (24.00%) and MSCI Emerging Markets Total Return Net Index (3.00%).

The FTSE Canada 30 Day T-Bill Index tracks the performance of the current on the run Government of Canada 30 Day treasury bills. The FTSE Canada Universe Bond Index tracks the performance of the Canadian investment grade, fixed income market, including Government of Canada, provincial and corporate bonds. The Canadian Consumer Price Index tracks the changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services. The S&P/TSX Capped Composite Total Return Index tracks the performance of the Canadian equity market. The index imposes capped weights of 10% on all of the constituents in the S&P/TSX Composite Index. The MSCI World Total Return Net Index tracks the after tax performance of large- and mid-capitalization equity securities in developed market countries throughout the world. The MSCI Emerging Markets Total Return Net Index tracks the after tax performance of large- and mid-capitalization equity securities in emerging market countries. Index returns are shown in Canadian dollars.

Phillips, Hager & North Conservative Pension Trust

For more information see *Investment risk classification methodology* on page 58.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Balanced Pension Trust

FUND DETAILS			
Type of fund	Global neutral balanced		
Date started[1]	Series F – July 31, 2001		Series O – October 31, 2002
Eligibility	The Balanced Pension Trust is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series F	0.50%	0.01%
	Series O	–	0.01%

1 Although the Fund was created in September 1988, we did not offer units for sale under a simplified prospectus until July 2001. Before July 2001, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth and income by investing primarily in a well-diversified, balanced portfolio of common stocks, bonds and money market securities from anywhere around the world.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest a significant portion or even all of the net asset value of the Fund in other funds managed by RBC GAM. We will only invest in units of other funds where the investment is consistent with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws. For example, as at the date of this Simplified Prospectus, we intend to invest approximately 100% of the Fund's net asset value in units of other funds managed by RBC GAM. However, in the future we may not make these investments or may elect to make investments in other funds.

The Fund's investment strategy will be implemented without regard to the impact of greater trading activity or portfolio turnover which may result in less tax efficiency.

We do not typically make large shifts in the Fund's asset mix. Our investment philosophy is based on the following three principles:

- investments in high-quality common stocks represent an effective vehicle for creating wealth over the long term;
- wealth preservation and income objectives are best met by balancing common stock and fixed-income investments; and
- the cyclical nature of markets requires the timely adjustment of the mix of common stock and fixed-income investments to achieve superior investment results.

We employ a strategic asset allocation approach, determining the appropriate asset mix within broad pre-established guidelines for each asset class as set out in the following table:

Asset class	Target weighting
Fixed-income	40%
Canadian equities	20%
Global equities	36%
Emerging markets equities	4%

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will be no more than 15% above or below the target weighting for the fixed-income asset class and no more than 10% above or below the target weighting for the Canadian equities, global equities and emerging markets equities asset classes.

The Fund may use derivatives such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

Phillips, Hager & North Balanced Pension Trust

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest up to 100% of its net asset value in foreign securities.

The Fund has received exemptive relief to invest in German ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single German ETF and up to 20% of its net asset value in securities issued by German ETFs in aggregate.

The Fund has received exemptive relief to invest in UK Listed ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single UK Listed ETF and up to 20% of its net asset value in securities issued by UK Listed ETFs in aggregate.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

› interest rate risk;

› credit risk;

› market risk;

› concentration risk;

› currency risk;

› foreign investment risk;

› transaction cost risk;

› ESG integration risk;

› derivatives risk;

› multiple series risk;

› securities lending, repurchase and reverse repurchase risk;

› large investor risk; and

› cyber security risk.

As at May 31, 2023, two investors held 24.6% and 16.5%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 27.9%, 18.9%, 15.0% and 13.4% of the net asset value of the Fund was invested in units of the Bond Fund, the RBC Global Equity Focus Fund, the RBC QUBE Global Equity Fund and the Canadian Equity Underlying Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

A distribution of net income is made in March, June and September. Net income and net realized capital gains may also be distributed periodically as management fee reimbursements. The remaining net income and net realized capital gains are distributed in December.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Growth Pension Trust

FUND DETAILS			
Type of fund	Global equity balanced		
Date started	Series O[1] – July 15, 2019		
Eligibility	The Growth Pension Trust is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series O	–	0.01%

1 Another series of units of the Fund exists, but is not offered under this Simplified Prospectus. The rights attached to this other series of units do not affect the rights attached to the series of units offered in this Simplified Prospectus.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objectives of the Fund are to provide long-term capital growth and some income by investing primarily in a well-diversified, balanced portfolio of fixed-income and equity securities from anywhere around the world.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

To achieve the Fund's investment objectives, we invest a significant portion or even all of the net asset value of the Fund in other funds managed by RBC GAM. We will only invest in units of other funds where the investment is consistent with the investment objectives and strategies of the Fund and otherwise complies with applicable securities laws. For example, as at the date of this Simplified Prospectus, we intend to invest approximately 100% of the Fund's net asset value in units of other funds managed by RBC GAM. However, in the future we may not make these investments or may elect to make investments in other funds.

The Fund's investment strategy will be implemented without regard to the impact of greater trading activity or portfolio turnover which may result in less tax efficiency.

We do not typically make large shifts in the Fund's asset mix. Our investment philosophy is based on the following three principles:

- investments in high-quality common stocks represent an effective vehicle for creating wealth over the long term;
- wealth preservation and income objectives are best met by balancing common stock and fixed-income investments; and
- the cyclical nature of markets requires the timely adjustment of the mix of common stock and fixed-income investments to achieve superior investment results.

We employ a strategic asset allocation approach, determining the appropriate asset mix within broad pre-established guidelines for each asset class as set out in the following table:

Asset class	Target weighting
Fixed-income	25%
Canadian equities	25%
Global equities	45%
Emerging markets equities	5%

The percentages specified above are target weightings for each asset class. We will manage the allocation so that it will be no more than 15% above or below the target weighting for the fixed-income asset class and no more than 10% above or below the target weighting for the Canadian equities, global equities and emerging markets equities asset classes.

The Fund may use derivatives such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment, to generate income or extend or reduce the duration of fixed-income investments.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund has received exemptive relief to invest in German ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single German ETF and up to 20% of its net asset value in securities issued by German ETFs in aggregate.

The Fund has received exemptive relief to invest in UK Listed ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single UK Listed ETF and up to 20% of its net asset value in securities issued by UK Listed ETFs in aggregate.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into these types of transactions. For more information on how the Fund could engage in these transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

An Underlying Fund managed by RBC GAM or an affiliate may incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. See *Investment considerations – Responsible investment* on page 51.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

› interest rate risk;

› credit risk;

› market risk;

› concentration risk;

› currency risk;

› foreign investment risk;

› transaction cost risk;

› ESG integration risk;

› derivatives risk;

› multiple series risk;

› securities lending, repurchase and reverse repurchase risk;

› large investor risk; and

› cyber security risk.

As at May 31, 2023, three investors held 35.9%, 18.6% and 17.5%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 23.4%, 18.7%, 17.5%, 16.4%, 11.2% and 11.2% of the net asset value of the Fund was invested in units of the RBC Global Equity Leaders Fund, the RBC QUBE Global Equity Fund, the RBC Global Equity Focus Fund, the Bond Fund, the Canadian Equity Value Fund and the Canadian Equity Underlying Fund, respectively. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Investment risk classification

As this Fund has less than 10 years of performance history, we calculate the investment risk level for this Fund using reference indices. The Fund's risk classification is based on the Fund's return and the returns of a blended index composed of the FTSE Canada 30 Day T-Bill Index (1.00%), FTSE Canada Universe Bond Index (21.00%), Canadian Consumer Price Index (non-seasonally adjusted) one month lag + 400 bps (3.00%), S&P/TSX Capped Composite Total Return Index (25.00%), MSCI World Total Return Net Index (45.00%) and MSCI Emerging Markets Total Return Net Index (5.00%).

The FTSE Canada 30 Day T-Bill Index tracks the performance of the current on the run Government of Canada 30 Day treasury bills. The FTSE Canada Universe Bond Index tracks the performance of the Canadian investment grade, fixed income market, including Government of Canada, provincial and corporate bonds. The Canadian Consumer Price Index tracks the changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services. The S&P/TSX Capped Composite Total Return Index tracks the performance of the Canadian equity market. The index imposes capped weights of 10% on all of the constituents in the S&P/TSX Composite Index. The MSCI World Total Return Net Index tracks the after tax performance of large- and mid-capitalization equity securities in developed market countries throughout the world. The MSCI Emerging Markets Total Return Net Index tracks the after tax performance of large- and mid-capitalization equity securities in emerging market countries. Index returns are shown in Canadian dollars.

For more information see *Investment risk classification methodology* on page 58.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Equity Pension Trust

FUND DETAILS			
Type of fund	Canadian equity		
Date started[1]	Series O – June 30, 2004		
Eligibility	The Canadian Equity Pension Trust is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	Management fee[2]	Administration fee
	Series O	–	0.02%

1 Although the Fund was created in March 1998, we did not offer units for sale under a simplified prospectus until June 2004. Before June 2004, units of the Fund were offered for sale in reliance on exemptions from the prospectus requirements of applicable securities laws.

2 No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objective of the Fund is to provide significant long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we generally look for growth companies to invest in that have:

› superior management;

› industry leadership;

› a high level of profitability compared to their competitors;

› a sound financial position;

› strong earnings growth; and

› a reasonable valuation.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

› for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and

› for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund's investment strategies will be implemented without regard to the impact of greater trading activity or portfolio turnover which may result in less tax efficiency.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 10% of its net asset value in non-Canadian securities.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's investment objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

Phillips, Hager & North Canadian Equity Pension Trust

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- small capitalization risk;
- transaction cost risk;
- ESG integration risk;
- derivatives risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, three investors held 15.1%, 14.2% and 10.3%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 13.5% of the net asset value of the Fund was invested in units of the Small Float Fund. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North Canadian Equity Plus Pension Trust

FUND DETAILS			
Type of fund	Canadian focused equity		
Date started	Series F – February 28, 1967		Series O – October 31, 2002
Eligibility	The Canadian Equity Plus Pension Trust is a qualified investment for RRSPs, RRIFs, DPSPs, RESPs, RDSPs, FHSAs and TFSAs.		
Fees and expenses	See *Fees and expenses* on page 27 for more details.		
	Series	**Management fee[1]**	**Administration fee**
	Series F	0.50%	0.06%
	Series O	–	0.03%

[1] No management fees are charged to the Fund with respect to Series O units. Investors who are eligible to purchase Series O units pay a negotiated fee directly or indirectly to us which will not exceed 2%. Only certain investors qualify to purchase Series O units. See *Purchases, switches and redemptions* on page 18.

What does the Fund invest in?

Investment objectives

The fundamental investment objective of the Fund is to provide long-term capital growth by investing primarily in a well-diversified portfolio of Canadian common stocks which are qualified investments for registered Canadian pension plans. The Fund also holds a portion of its assets in foreign common stocks.

The fundamental investment objective of the Fund may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund's investment strategies described below, at our discretion.

Investment strategies

The Fund's investment process is primarily based on fundamental research, considering quantitative and technical factors, reviewing economic, industry and company-specific information and monitoring and reviewing companies. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook.

To achieve the Fund's investment objectives, we generally look for growth companies to invest in that have:

- superior management;
- industry leadership;
- a high level of profitability compared to their competitors;
- a sound financial position;
- strong earnings growth; and
- a reasonable valuation.

The Fund's investment strategies will be implemented without regard to the impact of greater trading activity or portfolio turnover which may result in less tax efficiency.

We incorporate material ESG factors as part of the investment process to consider issuers' oversight and management of these material ESG factors. For further information, see *Investment considerations – Responsible investment* on page 51.

The Fund may use derivatives such as swaps, options, futures and forward contracts, as permitted by NI 81-102:

- for hedging purposes, including to protect against losses or reduce volatility resulting from changes in interest rates, market indices or foreign exchange rates including changes in the value of foreign currency relative to the Canadian dollar; and
- for non-hedging purposes, including as a substitute for direct investment or to generate income.

The Fund may use derivatives in accordance with relief obtained from applicable securities legislation as described under *Exemptions and approvals* on page 35.

Any use of derivatives will be compatible with the Fund's investment objectives and strategies and will comply with applicable securities laws. For further information, see *Derivatives risk* on page 48.

The Fund may invest a portion of its net asset value in non-Canadian securities where such an investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 50% of its net asset value in non-Canadian securities.

We may from time to time invest a significant portion or even all of the Fund's net asset value in other funds managed by RBC GAM where we believe that an investment in other funds is a more efficient and cost effective way of achieving the Fund's objectives. We will only invest in units of other funds where the investment is compatible with the Fund's investment objectives and strategies, and otherwise complies with applicable securities laws.

The Fund has received exemptive relief to invest in German ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single German ETF and up to 20% of its net asset value in securities issued by German ETFs in aggregate.

The Fund has received exemptive relief to invest in UK Listed ETFs, as described under *Exemptions and approvals* on page 35, subject to a limit of investing up to 10% of its net asset value in securities issued by a single UK Listed ETF and up to 20% of its net asset value in securities issued by UK Listed ETFs in aggregate.

We may depart temporarily from the Fund's fundamental investment objectives as a result of adverse market, economic, political or other considerations. In these circumstances, we may, as a temporary defensive tactic, increase the Fund's holdings of cash or short-term money market securities.

The Fund may enter into securities lending transactions, repurchase transactions and reverse repurchase transactions, as permitted by applicable securities laws, to earn additional income for the Fund. The Fund does not currently enter into repurchase transactions and reverse repurchase transactions. For more information on how the Fund could engage in these transactions, see *How the Funds engage in securities lending transactions, repurchase transactions and reverse repurchase transactions* on page 45.

What are the risks of investing in the Fund?

The principal risks associated with an investment in this Fund are as follows:

- market risk;
- concentration risk;
- currency risk;
- foreign investment risk;
- income trust risk;
- ESG integration risk;
- derivatives risk;
- multiple series risk;
- securities lending, repurchase and reverse repurchase risk;
- large investor risk; and
- cyber security risk.

As at May 31, 2023, two investors held 81.3% and 11.5%, respectively, of the net asset value of the Fund. If an investor holds units representing a large portion of the outstanding units of the Fund, an investment in the Fund will involve large investor risk.

During the 12-month period prior to May 31, 2023, up to 11.9% of the net asset value of the Fund was invested in units of the Small Float Fund. If the Fund concentrates its investments in a particular issuer or issuers, an investment in the Fund will involve concentration risk.

These and other risks which may also apply to the Fund are described in the section called *What are the risks of investing in a mutual fund?* on page 46.

Distribution policy

All net income and net realized capital gains are distributed annually, in December, except for net income and net realized capital gains distributed periodically as management fee reimbursements.

Distributions from the Fund are automatically reinvested in units of the Fund unless you tell us in advance that you want to receive your distributions in cash. For more information about distributions, please see the section called *Management fee distribution programs* on page 29.

Phillips, Hager & North® investment funds

Additional information about the Funds is available in the Funds' Fund Facts document, the management reports of fund performance and the financial statements. These documents are incorporated by reference into this Simplified Prospectus, which means that they are legally part of this document, just as if they were printed as part of it. You can get a copy of these documents, at your request, and at no cost, by calling us toll-free for the Pension Trusts at 1-855-408-6111, and for all other Funds at 1-800-661-6141, by contacting us by email at *rbcgam@rbc.com*, or by contacting another dealer who sells our Funds.

These documents and other information about the Funds, such as information circulars and material contracts, are also available on the Funds' designated website at *www.rbcgam.com/regulatorydocuments* or at *www.sedar.com*.

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