

RBC Group Financial Services

Participant's Guide to Group RSPs



F I R S T  F O R Y O U ®





The Royal Choices Group RSP

Your employer has established a group retirement savings plan (RSP) to help you save for the financial requirements of your retirement years.

An RSP is a savings program that allows you to invest in a tax-deferred financial solution until you retire. A group RSP is simply a collection of individual RSP accounts, administered by an employer like yours, which allows you to make contributions to the plan directly.

Here's how it works:

- › Invest money directly to your RSP from your paycheck.
- › Lower your taxable income, and therefore the tax you pay each year, with your RSP contributions.
- › Grow your investments within your RSP without incurring taxes on capital gains, dividends or income earned from your investments.
- › Pay taxes only when you withdraw from your RSP.

To start your group RSP, call our toll-free telephone number or visit your local RBC Branch. An RBC investment specialist will walk you through the process.

Your Participant's Guide

INDIVIDUAL FINANCIAL ADVICE

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Benefit from an investment specialist who can address your questions, provide advice on your investment options, and help ensure that you are invested in the right solutions to meet your personal needs.

A FULL RANGE OF INVESTMENT OPTIONS

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Make savings deposits and gain access to GICs and mutual funds to build a diversified portfolio that will assist you in meeting your goals and help cushion your RSP against the natural fluctuations of investing.

INVEST EFFICIENTLY

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When it comes to investing, payroll contributions help you take advantage of a number of efficiencies you may not get outside of your group savings plan.

SIMPLICITY

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You can join, select investments and manage your account easily with the help of an RBC investment specialist.

INVESTMENT TOOLS AND EDUCATION

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Keep informed: RBC provides quarterly reporting and updates on market and financial news; an online learning centre; tools for comparing and choosing investments, forecasting your retirement needs, and more.

A GUIDE TO SET-UP & ADMINISTRATION

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Review frequently asked questions to help you enrol, change your contributions, manage your individual account, find information and more.

ADDITIONAL MATERIALS

Inside Back Cover

Access additional materials on your plan, your account and your investment options.

How to Start Your Plan

Starting your group RSP is as easy as picking up the phone or visiting your local branch. Once you have contacted us, an RBC investment specialist will walk you through the process of establishing your account and selecting your investments.

To start your plan:

- › Call 1-800-ROYAL®1-1 (1-800-769-2511), or
- › Visit your local RBC Royal Bank branch.

To find your nearest RBC Branch:

- › Call 1-800-ROYAL®1-1 (1-800-769-2511) and choose the option "find a branch."
- › Go online to RBC.com, click on "Personal Banking" and the Quicklink "Branch and ATM Locator."

Make sure you have:

- › Two pieces of personal identification (passport, driver's licence, etc.)
- › Your employee and social insurance numbers.
- › Your group savings plan number or company name.
- › An account number from the financial institution you normally deal with.

Ensuring the plan works for you:

MEMBER RESPONSIBILITIES

- › Educate and inform yourself about your investment options.
- › Make investment decisions within the plan.
- › Decide how much you want to contribute, and to which investments.
- › Review and evaluate your investments periodically.
- › Consider changes or new investments, if appropriate.





INDIVIDUAL FINANCIAL ADVICE*

With literally thousands of investment options in today's marketplace, choosing the right investments can be challenging.

Investors look to GICs, equities, bonds and other asset classes in Canadian markets or abroad when selecting the right investments. However, each asset class or market can perform differently.

Financial markets generally grow in value over the long term, but to manage short-term market risk and volatility, investors can diversify their assets across different types of investments and markets.

So how much should you invest in each asset class? And where, geographically?

Every investor answers these questions differently depending on their individual circumstances.

However, working with a knowledgeable, objective investment specialist can help you determine what's best for your situation.

When establishing your group RSP account, our investment specialist will walk you through your options and help determine what is right for you.

And if your circumstances change, our investment specialist can help you review your portfolio to ensure it still meets your ongoing needs.

* There is no investment advice provided within the RBC Direct Investing account option.

Every Investor is Unique

Before we help you select your investments, we need to understand your investment profile – technically called the “Know Your Client” (or KYC) rule by regulators.

Investment specialists who offer financial advice must follow the KYC rule. The rule involves asking you questions about your assets, investments, goals and tolerance for risk.

The purpose of this rule is to make sure you're invested in products that match your individual circumstances.

A FULL RANGE OF INVESTMENT OPTIONS

To suit the goals of your organization, your employer has selected one or more of the following RBC service delivery options.

Each delivery option provides a wide range of investment vehicles to meet your individual needs.

The insert inside the back cover of this brochure, entitled *RBC Group Financial Services Service Delivery Options*, outlines the RBC choices that are available to you.

Our investment specialists are also available to help you select the right service delivery option based on your individual circumstances.



RBC SERVICE DELIVERY OPTION	INVESTMENTS AVAILABLE					WHO IS IT FOR?
	Savings Deposit	GICs	RBC Funds	Stocks and Bonds	Other Securities	
RBC ROYAL BANK	X	X	X			Suitable for all investors. Provides individual advice from a qualified investment professional.
RBC DOMINION SECURITIES (Minimum of \$50,000 in investible assets)	X	X	X	X	X	For investors who have more sophisticated needs, higher accumulated assets and want advice from a qualified investment professional.
RBC DIRECT INVESTING (No investment advice provided)	X	X	X	X	X	Self-directed investing for knowledgeable investors who want to make their own investment decisions.

INVEST EFFICIENTLY

A group RSP is a financial savings program that provides you with a strong incentive to save for your retirement.

- › By contributing regularly from your paycheque, you benefit from “dollar-cost averaging.”
- › RSPs reduce the taxes you pay each year by lowering the amount of income that Canada Revenue Agency considers taxable.
- › RSPs shelter investments – you don’t pay tax on capital gains, dividends, or income generated from the investments as they grow.
- › Pay taxes only when you withdraw cash from your RSP, usually at retirement.

SIMPLICITY


By visiting an RBC branch or by calling 1-800-ROYAL®1-1 (1-800-769-2511) anytime, you can:

- › Benefit from advice provided by investment specialists
- › Get answers to your questions
- › Open your account
- › Open a spousal RSP account
- › Assign one or more account beneficiaries
- › Make additional contributions
- › Review your investments
- › Change your investments as your needs change
- › Make transfers or withdrawals, and more.

INVESTMENT TOOLS AND EDUCATION

RBC strives to help keep you informed about your plan and your financial future. Along with our advice, we offer the following tools, education and information at no cost:

RBC TOOLS AND RESOURCES	WHAT THEY DO
ACCOUNT STATEMENTS	Your investment summary, including the value of your account and transaction history.
INVESTMENT UPDATES	Quarterly market and financial news, investment insight and investor education.
REGULATORY MATERIALS	Introductory fund prospectus and annual Management Report of Fund Performance.
HORIZONS	An RBC investment specialist walks you through a comprehensive questionnaire to determine an asset allocation that suits you.
FUND PERFORMANCE COMPARISON TOOL	Compares mutual funds by performance and volatility against a standard benchmark.
MONTHLY PURCHASE PLAN CALCULATOR	Calculates the future value of potential monthly investment contributions.
RSP-MATIC® CALCULATOR	Helps calculate how your investments can add up over time.
NET WORTH WORKSHEET	Lists assets, such as investments, house, or other valuables and liabilities, like your mortgage or other debts.
RRSP FUTURE VALUE CALCULATOR AND RRSP COMPOUND INTEREST CALCULATOR	Projects the value of investments based on historical assumptions for market growth.
MINIMUM ANNUAL INCOME CALCULATOR	Estimates how much your retirement savings will pay you each year of your retirement.
ANNUAL RETIREMENT INCOME WORKSHEET	An easy-to-use tool for tabulating your projected monthly income when you retire.
ANNUAL RETIREMENT EXPENSE WORKSHEET	An easy-to-use tool for tabulating your projected monthly costs when you retire.
RETIREMENT INCOME PLANNER	Helps determine whether you have an income surplus or an income gap at retirement.
RRSP PERSONAL SAVINGS CALCULATOR	Projects annual savings based on your salary and savings assumptions.

HOW THEY HELP	QUICK ACCESS
A simple way to keep track of your group savings plan.	Delivered to you on a quarterly basis.
Keep track of market trends, and consider new strategies as your account grows.	Delivered to you on a quarterly basis.
Outlines mutual fund information and provides the performance of your mutual fund investments against the fund's peers and a standard benchmark.	Delivered upon initial investment, as requested, and offered annually.
Diversify your investments across various assets classes, such as equities and bonds, to suit your individual risk tolerance and goals.	Arrange an appointment at a local RBC branch or call our toll-free telephone number – an investment specialist will walk you through the program at no cost.
Evaluate funds by reviewing performance and track record.	 <p>Visit us online at: www.rbcinvestments.com/gfs and use our quick links.</p>
Budget your contributions according to your future goals.	
Set up monthly, bi-weekly or weekly contributions that match your investment threshold.	
An important accounting of your finances to begin an overall financial plan.	
See how much today's savings may be worth five, 10 or more years from now.	
Helps you understand how much income you may have available when you retire.	
Calculate the combined after-tax retirement income for you and your spouse in this single, convenient statement.	
Estimate your retirement expenses while taking inflation into account.	
Use in combination with retirement worksheets to forecast retirement needs.	
Find out how easy it is to build your assets by making a regular commitment to saving.	

A Guide to Set-up & Administration

Our investment specialists are available 24 hours a day, seven days a week, to assist you with your plan. Simply call 1-800-ROYAL®1-1 (1-800-769-2511) for assistance with any questions you might have or for advice on your investments.

1. Enrolment

How do I enrol?

YOU HAVE TWO OPTIONS:

CALL 1-800-ROYAL®1-1 (1-800-769-2511)

- › Select the option that allows you to create a new account.
- › Let the RBC representative know that you are setting up a group savings account.
- › The RBC representative will open your account, review your requirements, provide advice on your investment options and complete the paperwork with you over the phone, then forward it to you for your signature.
- › Sign the forms and mail them back in the postage-paid envelope we provide.
- › Please remember to forward the employer/payroll copy of your application to your payroll department and keep a copy for your records.

VISIT YOUR NEAREST RBC FINANCIAL GROUP BRANCH

- › Tell the branch staff that you are setting up a group savings account.
- › An RBC representative will review your requirements, provide advice on your investment options and assist you in filling out the necessary forms.
- › Please remember to forward the employer/payroll copy of your application to your payroll department and keep a copy for your records.

What if my spouse wants to enrol?

Your employer may allow you to open a plan for your spouse and make contributions on his or her behalf through your payroll contributions.

If you would like to take advantage of this option, your spouse will need to speak to an RBC Royal Bank representative, review and select investments with an RBC investment specialist, and open an account.

Once it is established, you may direct some or all of your payroll contributions to the account.

How do I name a beneficiary?

You can name the person or persons to inherit your group RSP account. You may need to complete a separate Designation of Beneficiary form if you wish to name more than one person as a beneficiary. To obtain this form, please call RBC Royal Bank or visit your local branch.



What I Need to Enrol:

- › Two pieces of personal identification (passport, driver's licence, health card)
- › Your employee and social insurance numbers
- › Your group plan number (if you know it) or your company name
- › An account number from the financial institution you normally deal with

What Happens if I do not Enrol?

When you establish a group savings plan account with RBC, you choose investments with the help of a qualified investment professional*. Through this process, investments are selected to suit your specific individual needs. In the event money is contributed on your behalf by your employer prior to establishing an account or selecting investments, your contribution will be returned to your employer. Funds returned to your employer are not invested and do not earn a return. Once your account is established and you have selected your investments, money can then be deposited by your employer.

* There is no investment advice provided for plan members selecting the RBC Direct Investing account option within the Royal Choices Group Investment Account.



2. Contributions

What if I want to change the amount of my contributions?

As your age or goals change, you may want to increase or reduce your payroll contributions. Our investment specialists are there to help and provide advice whenever you need it. Simply call us or visit one of our branches for assistance. You will also need to speak with your payroll or human resources department to make the change.

What if I want to make an additional lump sum contribution?

This is a transaction that your payroll department may be able to handle. If not, please call RBC Royal Bank and an investment specialist will assist you.

Each member is responsible for ensuring that they do not exceed their individual RSP contribution limits, described in their tax return from the preceding year, set by the Canada Revenue Agency. Our investment specialists can help you review your contributions and review the limits.

How can I verify my contributions?

RBC delivers a confirmation report, detailing the contributions, to your organization within two days after contributions are processed and confirmed.

You will also receive quarterly and annual account statements that clarify your contributions and other account activity.

When do I receive my RSP contribution receipts?

RBC mails contribution receipts within 15 days of the year-end or within 15 days of the end of the first 60-day period of the following year. Duplicates may be ordered by visiting any RBC Royal Bank branch or by calling customer service.

3. Administrative Changes

What if I move or change my name?

Often, account holders need to change non-financial information, such as:

- › Mailing or forwarding address
- › Legal name

Please call RBC Royal Bank or visit your local branch to change this information.

Note that you will need evidence, like a marriage certificate or divorce decree to complete such a change.

What if I have investments at other institutions?

You may transfer assets from existing accounts located at other institutions to RBC to consolidate your holdings with us. Financial institutions generally charge for such transfers.

Please call RBC Royal Bank or visit your local branch to begin this process or to discuss your options with an RBC investment specialist.

4. Financial Changes

What if I want to change the investments I'm making?

If you want to add or remove investments, or allocate different amounts to the options you choose, you'll need to speak to an RBC representative to do so. Our investment specialists are available to review your options and provide advice in relation to your own personal requirements. You may also want to change the percentage split of your payroll contributions between your group RSP and your spouse's account. Please call RBC Royal Bank or visit your local branch to change this information.

What if I need access to my investments?

Your investments are available at any time. Some plans may require notice of withdrawal. If your plan has a notice of withdrawal requirement, you will need to complete a Notice of Withdrawal form, available from your organization or at any RBC branch, which will authorize the transaction before the funds can be removed from the plan.

5. Retirement

What happens when I retire or leave the plan?

If you retire, wish to terminate your participation in the plan or if you leave your employer, your group RSP can easily be converted into an individual RSP account with no impact to your investments. This requires no transfer of assets, or redemption of funds, and you can continue to work towards growing your investments to reach your individual goals or convert to an eligible retirement income option.

Whether or not you require income at retirement, it is mandatory to convert your RRSP to an eligible retirement income option by December 31 in the year you turn 71.

If you are thinking about your future retirement, your RBC advisor can help you identify, plan, and realize your retirement goals by creating a plan for your life – and how you want to live it.

How to Obtain Additional Information:

Contact us anytime on our toll-free number at:

1-800-ROYAL®1-1 (1-800-769-2511)

We are available 24 hours a day, seven days a week. Our investment specialists are there to:

- › Provide investment advice.
- › Buy, sell, or switch RBC Funds or other investments.*
- › Process lump-sum contributions to your group RSP account.
- › Outline information on your group RSP account.
- › Review account balances or inquiries.
- › Supply daily unit prices and rates of return.
- › Review fund objectives and top 10 holdings.
- › Highlight fund manager commentaries.
- › Outline other information you may require.

* Mutual fund transactions received after 4:00 p.m. Eastern Standard Time (EST) will be processed on the next business day.

**YOUR RBC ROYAL CHOICES PLAN MAY INCLUDE
OPTIONS TO INVEST WITH EITHER RBC DOMINION
SECURITIES OR RBC DIRECT INVESTING.**

For more information, please call:

RBC DOMINION SECURITIES

Call 1-800-ROYAL®1-1 (1-800-769-2511)
Or visit www.rbc.com

RBC DIRECT INVESTING

Call 1-800-769-2560, option 4
Or visit www.rbcdirectinvesting.com

Your Next Step

For more information on your group savings plan, please call us anytime

at 1-800-ROYAL®1-1 (1-800-769-2511)

or visit us at:

www.rbcinvestments.com/gfs



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* Member CIPF.

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Additional Materials

PLAN INFORMATION OVERVIEW

- › Provides you with details on what service delivery options are available

INVESTMENT OPTIONS

- › Outlines what is available through the RBC Royal Bank service delivery option

ACCOUNT AGREEMENT

- › Explains how your account works

DECLARATION OF TRUST

- › Outlines information on your RSP account