



RBC Capital Markets

INDEX LINKED SECURITIES | RBC GLOBAL INVESTMENT SOLUTIONS

RBC S&P 500 Barrier Conditional 5.50% Securities (USD), Series 3 Non-Principal Protected Security

5.5 year term

Performance linked to
the S&P 500[®] IndexPotential 1.375%
coupon per quarter
period

Subscriptions Close

on or about
December 7, 2018

FUNDSERV

RBC9393

This summary is qualified in its entirety by a pricing supplement (the "Pricing Supplement"), the base shelf prospectus dated January 30, 2018, the program prospectus supplement dated January 30, 2018 and the product prospectus supplement dated January 30, 2018 in respect of index linked securities.

www.rbcnotes.com

KEY TERMS

Issuer:	Royal Bank of Canada
Issuer Credit Ratings:	Moody's: Aa2; S&P: AA-; DBRS: AA
Currency:	USD
Minimum Investment:	50 Securities or US\$5,000
Term:	Approximately 5.5 years
Principal at Risk:	The Securities are not principal protected.
Index:	The return on the Securities is linked to the price performance of the S&P 500 [®] Index (the " Index "). Securities do not represent an interest in the Index or in the securities of the companies that comprise the Index, and holders will have no right or entitlement to such securities including, without limitation, redemption rights (if any), voting rights or rights to receive dividends or other distributions paid on such securities (the annual dividend yield on the S&P 500 [®] Index as of November 6, 2018 was 1.918% representing an aggregate dividend yield of approximately 11.014%, compounded annually over the five and one half-year term, on the assumption that the dividend yields remain constant).
Issue Date:	December 14, 2018
Initial Index Level:	The " Initial Index Level " is the Closing Level, as published by the Index Sponsor, on December 10, 2018 (the " Initial Valuation Date ").
Protection Barrier Level:	The " Protection Barrier Level " is 70.00% of the Initial Index Level.
Coupon Barrier Level:	The " Coupon Barrier Level " is 70.00% of the Initial Index Level.
Final Index Level:	The " Final Index Level " is the Closing Level, as published by the Index Sponsor, on June 10, 2024 (the " Final Valuation Date ").
Closing Level:	The " Closing Level " on any date is the official closing level of the Index quoted on http://www.standardandpoors.com for such date, as determined by the Calculation Agent.
Maturity Date:	June 13, 2024

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

KEY TERMS CONTINUED

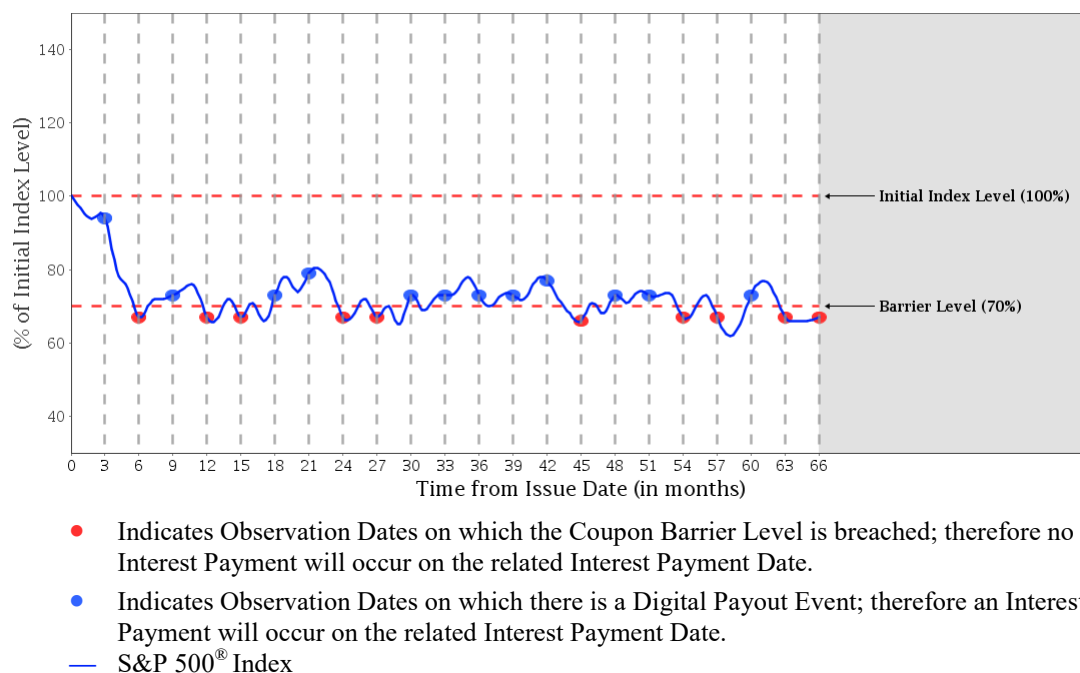
Observation Dates:	<p>An “Observation Date” for the purposes of determining the amount of any Interest Payment will occur quarterly on the dates specified below in each year that the Securities are outstanding, from and including March 11, 2019 to and including June 10, 2024. If any such Observation Date is not an Exchange Day, it shall be postponed to the next succeeding Exchange Day.</p> <p>Provided that the Securities are not redeemed by the Bank as described below, the Bank intends the Observation Dates to be:</p> <table> <tr> <td>March 11, 2019</td><td>June 10, 2019</td><td>September 10, 2019</td><td>December 10, 2019</td></tr> <tr> <td>March 10, 2020</td><td>June 10, 2020</td><td>September 10, 2020</td><td>December 10, 2020</td></tr> <tr> <td>March 10, 2021</td><td>June 10, 2021</td><td>September 10, 2021</td><td>December 10, 2021</td></tr> <tr> <td>March 10, 2022</td><td>June 10, 2022</td><td>September 12, 2022</td><td>December 12, 2022</td></tr> <tr> <td>March 10, 2023</td><td>June 12, 2023</td><td>September 11, 2023</td><td>December 11, 2023</td></tr> <tr> <td>March 11, 2024</td><td>June 10, 2024</td><td></td><td></td></tr> </table>			March 11, 2019	June 10, 2019	September 10, 2019	December 10, 2019	March 10, 2020	June 10, 2020	September 10, 2020	December 10, 2020	March 10, 2021	June 10, 2021	September 10, 2021	December 10, 2021	March 10, 2022	June 10, 2022	September 12, 2022	December 12, 2022	March 10, 2023	June 12, 2023	September 11, 2023	December 11, 2023	March 11, 2024	June 10, 2024		
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Interest Payments:	<p>Interest payments (the “Interest Payments” and each, an “Interest Payment”), if any, on the Securities will be payable on each Interest Payment Date, in arrears, at a fixed interest rate of 1.375% every three months ending on an Interest Payment Date (an “Interest Period”) for each Interest Period in which a Digital Payout Event occurs on the Observation Date occurring in the Interest Period. On the basis of the foregoing, the interest on each US\$100 Principal Amount of Securities for an Interest Period in which a Digital Payout Event has occurred would equal $\text{US\\$100} \times 1.375\%$.</p> <p>Thus, if a Digital Payout Event occurs:</p> <p>(a) on each Observation Date in any twelve-month period, the amount of interest payable on each US\$100 Principal Amount of Securities for that twelve-month period will be US\$5.50;</p> <p>(b) on three out of the four Observation Dates in any twelve-month period, the amount of interest payable on each US\$100 Principal Amount of Securities for that twelve-month period will be US\$4.125;</p> <p>(c) on two out of the four Observation Dates in any twelve-month period, the amount of interest payable on each US\$100 Principal Amount of Securities for that twelve-month period will be US\$2.750; and</p> <p>(d) on one out of the four Observation Dates in any twelve-month period, the amount of interest payable on each US\$100 Principal Amount of Securities for that twelve-month period will be US\$1.375.</p> <p>If a Digital Payout Event does not occur on the Observation Date during a particular Interest Period, no interest will be payable on the Securities for such Interest Period.</p>																										
Digital Payout Event:	<p>A “Digital Payout Event” will occur if, on the relevant Observation Date, the Closing Level is greater than or equal to the Coupon Barrier Level.</p>																										
Payment at Maturity:	<p>On the Maturity Date, the amount payable (the “Redemption Amount”) for each US\$100 Principal Amount per Security will be equal to:</p> <p>(a) if the Final Index Level is greater than or equal to the Protection Barrier Level, US\$100; or</p> <p>(b) if the Final Index Level is less than the Protection Barrier Level, an amount equal to the Index Return, but in any event not less than US\$1.00.</p> <p>In addition to the Redemption Amount, an Interest Payment will be paid on the Maturity Date if a Digital Payout Event occurs on the Final Valuation Date.</p>																										
Index Return:	<p>“Index Return” means $\text{US\\$100} \times (X_f / X_i)$, where:</p> <p>“X_f” means the Final Index Level, and</p> <p>“X_i” means the Initial Index Level.</p>																										
Secondary Market:	<p>Fundserv, RBC9393</p>																										
Early Trading Charge Schedule:	<p>If Sold Within the Following No. of Days from the Issue Date</p>	<p>Early Trading Charge (% of Principal Amount)</p>																									

1 - 180 days	3.25%
181 - 270 days	2.75%
271 - 360 days	2.25%
361 - 450 days	1.50%
451 - 540 days	0.50%
Thereafter	Nil

Sample
Calculations of
Redemption
Amount and
Interest Payments:

The examples set out below are included for illustration purposes only. The price performance of the Index used to illustrate the calculation of the Redemption Amount and the Interest Payments over the term of the Securities is not an estimate or forecast of the price performance of the Index or the Securities. All examples assume that a holder of the Securities has purchased Securities with an aggregate Principal Amount of US\$100 and that no Extraordinary Event has occurred. All examples assume a Coupon Barrier Level of 70.00% of the Initial Index Level and a Protection Barrier Level of 70.00% of the Initial Index Level. For convenience, each vertical line in the charts below represents both a hypothetical Observation Date and the next succeeding Interest Payment Date. Certain dollar amounts are rounded to the nearest whole cent.

Example #1: Loss Scenario with Payment on the Maturity Date at Less Than Par



(i) Interest Payments

In this example, there is a Digital Payout Event on 12 of the 22 Observation Dates. On the other 10 Observation Dates, no Digital Payout Event would occur because the Closing Level is below the Coupon Barrier Level. Therefore, the Interest Payment of US\$1.375 per Interest Period would be payable for 12 Interest Periods on the applicable Interest Payment Date, for total Interest Payments of:

$$\text{Principal Amount of Securities} \times 1.375\% \text{ per Interest Period} \times 12 \text{ Interest Periods} \\ \text{US\$100} \times 1.375\% \times 12 = \text{US\$16.50}$$

(ii) Redemption Amount

In this example, the Initial Index Level (X_i) is 2,738.31 and the Final Index Level (X_f) is 1,834.67. Therefore, the Redemption Amount is as follows:

$$\text{US\$100} \times (X_f / X_i) \\ \text{US\$100} \times (1,834.67 / 2,738.31) = \text{US\$67.00}$$

Therefore, the total amounts payable per Security from the Issue Date to the Maturity Date are:

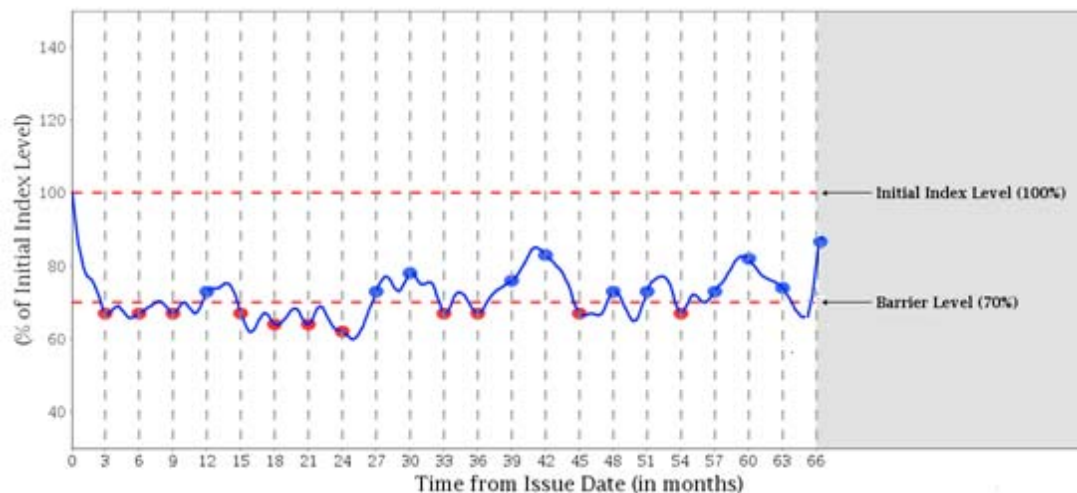
(a) Total Interest Payments: US\$16.50

(b) Redemption Amount: US\$67.00

(c) Total amount paid over the term of the Securities: US\$83.50

The equivalent annually compounded rate of return in this example is -3.23%.

Example #2: Gain Scenario with Payment on the Maturity Date at Par



- Indicates Observation Dates on which the Coupon Barrier Level is breached; therefore no Interest Payment will occur on the related Interest Payment Date.
- Indicates Observation Dates on which there is a Digital Payout Event; therefore an Interest Payment will occur on the related Interest Payment Date.
- S&P 500[®] Index

(i) Interest Payments

In this example, there is a Digital Payout Event on 11 of the 22 Observation Dates. On the other 11 Observation Dates, no Digital Payout Event would occur because the Closing Level is below the Coupon Barrier Level. Therefore, the Interest Payment of US\$1.375 per Interest Period would be payable for 11 Interest Periods on the applicable Interest Payment Date for total Interest Payments of:

$$\begin{aligned} & \text{Principal Amount of Securities} \times 1.375\% \text{ per Interest Period} \times 11 \text{ Interest Periods} \\ & \text{US\$100} \times 1.375\% \times 11 = \text{US\$15.13} \end{aligned}$$

(ii) Redemption Amount

In this example, since the Final Index Level is 2,354.95, which is above its Protection Barrier Level of 1,916.82, the Redemption Amount per Security is equal to US\$100.00.

Therefore, the total amounts payable per Security from the Issue Date to the Maturity Date are:

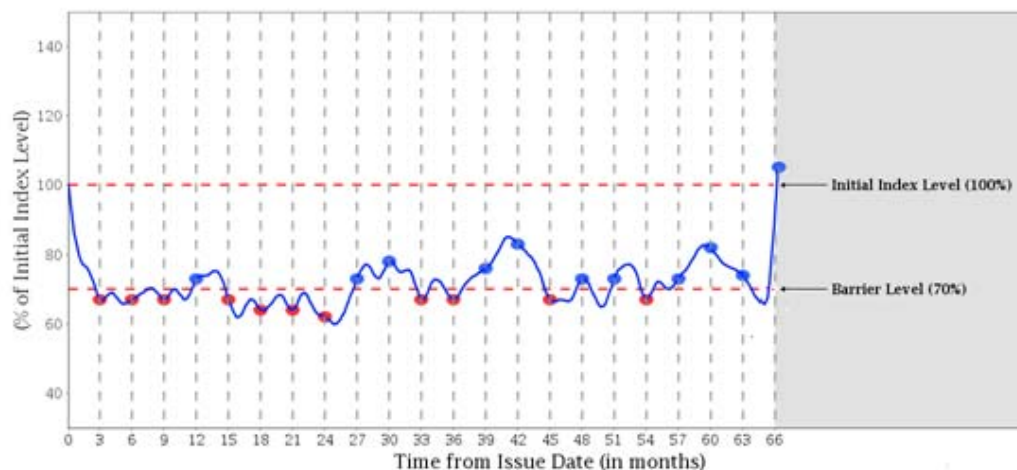
(a) Total Interest Payments: US\$15.13

(b) Redemption Amount: US\$100.00

(c) Total amount paid over the term of the Securities: US\$115.13

The equivalent annually compounded rate of return in this example is 2.59%.

Example #3: Gain Scenario with Payment on the Maturity Date at Par



- Indicates Observation Dates on which the Coupon Barrier Level is breached; therefore no Interest Payment will occur on the related Interest Payment Date.
- Indicates Observation Dates on which there is a Digital Payout Event; therefore an Interest Payment will occur on the related Interest Payment Date.
- S&P 500® Index

(i) Interest Payments

In this example, there is a Digital Payout Event on 11 of the 22 Observation Dates. On the other 11 Observation Dates, no Digital Payout Event would occur because the Closing Level is below the Coupon Barrier Level. Therefore, the Interest Payment of US\$1.375 per Interest Period would be payable for 11 Interest Periods on the applicable Interest Payment Date for total Interest Payments of:

$$\text{Principal Amount of Securities} \times 1.375\% \text{ per Interest Period} \times 11 \text{ Interest Periods} \\ \text{US\$100} \times 1.375\% \times 11 = \text{US\$15.13}$$

(ii) Redemption Amount

In this example, since the Final Index Level is 2,847.84, which is above its Protection Barrier Level of 1,916.82, the Redemption Amount per Security is equal to US\$100.00.

Therefore, the total amounts payable per Security from the Issue Date to the Maturity Date are:

(a) Total Interest Payments: US\$15.13

(b) Redemption Amount: US\$100.00

(c) Total amount paid over the term of the Securities: US\$115.13

The equivalent annually compounded rate of return in this example is 2.59%.

Initial Estimated
Value:

The initial estimated value of the Securities as of November 5, 2018 was US\$94.59 per Security, which is less than the price to the public and is not an indication of the actual profit to the Bank or its affiliates. The actual value of the Securities at any time will reflect many factors, cannot be predicted with accuracy, and may be less than this amount. The initial estimated value of the Securities is an estimate only and is based on the value of the Bank's obligation to make the payments on the Securities. We describe our determination of the initial estimated value in more detail in the Pricing Supplement.

All capitalized terms unless otherwise defined have the meanings ascribed to them in the Pricing Supplement.

Clients should evaluate the financial, market, legal, regulatory, credit, tax and accounting risks and consequences of the proposal before entering into any transaction, or purchasing any instrument. Clients should evaluate such risks and consequences independently of Royal Bank of Canada and the Dealers, RBC Dominion Securities Inc. and Laurentian Bank Securities Inc., respectively.

The Securities will not constitute deposits insured under the Canada Deposit Insurance Corporation Act. The Securities are not fixed income securities and are not designed to be alternatives to fixed income or money market instruments. The Securities are structured products that possess downside risk.

An investment in the Securities involves risks. An investment in the Securities is not the same as a direct investment in the securities that comprise the index to which the Securities are linked and investors have no rights with respect to the securities underlying any such index. The Securities are considered to be "specified derivatives" under applicable Canadian securities laws. If you purchase Securities, you will be exposed to changes in the level of the Index and fluctuations in interest rates, among other factors. Index levels are volatile and an investment in the Securities may be considered to be speculative. Since the Securities are not principal protected and the Principal Amount will be at risk, you could lose substantially all of your investment.

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