



RBC U.S. Multi Asset Allocation RoC Securities (CAD Hedged), Series 1 Non-Principal Protected Security

No Canadian Tax Events
 until maturity or sale
 on changes to the Portfolio
 on quarterly RoC payments

Notional dynamic portfolio composed of the shares of the iShares® iBoxx \$ High Yield Corporate Bond ETF, iShares® 7-10 Year Treasury Bond ETF, SPDR® S&P 500® ETF Trust or a notional deposit instrument

Partial hedge of the potential currency risk between CAD and USD

KEY TERMS

Objective of the Debt Securities:

The Debt Securities have been designed to provide investors with exposure to the shares (the "Underlying Securities") of the iShares® iBoxx \$ High Yield Corporate Bond ETF (the "HYG ETF"), the iShares® 7-10 Year Treasury Bond ETF (the "IEF ETF" and together with the HYG ETF, the "Bond ETFs") and the SPDR® S&P 500® ETF Trust (the "SPY ETF" and together with the Bond ETFs, the "ETFs") (each issuer of an ETF, an "Underlying Security Issuer" and collectively, the "Underlying Security Issuers") or a notional deposit instrument (each, a "Deposit") which will accrue interest daily at the Federal Reserve Bank of New York overnight rate, depending on the Closing Level of the ICE BofAML US High Yield Master II Option-Adjusted Spread (the "Index") and the Closing Price of the Underlying Securities of the SPY ETF and the Total Return of the Underlying Securities of the IEF ETF relative to their respective Moving Averages on each weekly Allocation Date in accordance with the Strategy, while at the same time providing a partial hedge of the potential currency risk between the Canadian dollar currency, in which the Debt Securities and all payments under the Debt Securities to holders of the Debt Securities are denominated, and the United States dollar currency in which the notional investments in the Portfolio are denominated.

The goal of this strategy is to be exposed to the performance of:

- the Underlying Securities of the HYG ETF when the level of the Index is sufficiently high;
- the Underlying Securities of the HYG ETF when the level of the Index is neither sufficiently high nor low and the high yield trends observed on the Index are contracting;
- the Underlying Securities of the SPY ETF when the level of the Index is either (a) sufficiently low or (b) neither sufficiently high nor low and the high yield trends observed on the Index are expanding and, in each case, the trends observed on the SPY ETF are positive; and
- one of the Deposit or the Underlying Securities of the IEF ETF when the level of the Index is either (a) sufficiently low or (b) neither sufficiently high nor low and the high yield trends observed on the Index are expanding and, in each case, the trends observed on the SPY ETF are negative.

Issuer:	Royal Bank of Canada (the "Bank")
Issuer Credit Ratings:	Moody's: Aa2; S&P: AA-; DBRS: AA
Issue Date:	March 4, 2020
Maturity Date:	December 5, 2039
Currency:	CAD
Minimum Investment:	50 Debt Securities or \$5,000

Currency

CAD

Fundserv

RBC8031

Subscriptions Close

on or about
February 27, 2020

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 equity, unit and debt linked securities.

www.rbcnotes.com

KEY TERMS CONTINUED

Term:	Approximately 20 years
Principal at Risk:	The Debt Securities are not principal protected.
Partial Principal Repayments:	<p>Holders will receive partial repayments in Canadian dollars of the Principal Amount (the “Partial Principal Repayments” and each, a “Partial Principal Repayment”) on each Payment Date at a fixed amount of \$0.75 per Debt Security; provided, however, that the sum of the Equity Distributions during the calendar quarter immediately preceding such Payment Date (the “Partial Principal Repayment Period”) and the NAV per Debt Security on such Payment Date is greater than or equal to \$1.75. For certainty, no Partial Principal Repayment will be paid on a Payment Date if the sum of the Equity Distributions during the immediately preceding Partial Principal Repayment Period and the NAV per Debt Security on such Payment Date is less than \$1.75.</p> <p>The Partial Principal Repayments will be calculated and payable quarterly no later than the fifth Business Day following the end of each Partial Principal Repayment Period (each a “Payment Date”) during the term of the Debt Securities other than the final Partial Principal Repayment Period prior to maturity.</p> <p>The Partial Principal Repayment paid on each Payment Date will be notionally satisfied by the Equity Distributions paid during the corresponding Partial Principal Repayment Period, including any non-cash dividends or other distributions, which will be converted into their notional cash value, as determined by the Calculation Agent acting in good faith.</p> <p>Notwithstanding the foregoing, if the Equity Distributions paid during a Partial Principal Repayment Period are less than \$0.75, the Partial Principal Repayment paid on the corresponding Payment Date will be notionally satisfied to the extent necessary by liquidating the applicable amount of Deposits or number of Underlying Securities included in the Portfolio on the first Business Day of the next calendar quarter, thereby reducing the amount of Deposits or the number of Underlying Securities in the Portfolio and therefore the NAV per Debt Security, the Variable Return and the Redemption Amount. When applicable, such Underlying Securities will be liquidated at a price equal to the applicable Closing Price on the first Exchange Day of the month.</p> <p>If the Equity Distributions during a Partial Principal Repayment Period exceed \$0.75, any such excess will be notionally reinvested in the Underlying Securities or the Deposit comprising the Portfolio on the first Business Day of the next calendar quarter and, with respect to Underlying Securities, at a price equal to the applicable Closing Price on the first Exchange Day of the month. Non-cash Equity Distributions will be converted into their notional cash value, as determined by the Calculation Agent acting in good faith.</p> <p>“Equity Distributions” means any dividends or other distributions paid by the Underlying Security Issuers on the Underlying Securities notionally included in the Portfolio.</p>
Portfolio:	The notional portfolio (the “ Portfolio ”) will consist of either (i) the Underlying Securities of one of the three ETFs or (ii) a Deposit, determined and reallocated dynamically over the term of the Debt Securities on a weekly basis based on the Strategy.
The Strategy:	<p>The Underlying Securities or Deposits to be notionally included in the Portfolio at any time over the term of the Debt Securities will be selected using the investment strategy described below (the “Strategy”).</p> <p>On the last Exchange Day of the week immediately preceding the Issue Date, and on the last Exchange Day of each week thereafter (each, an “Allocation Date”), the Strategy will (i) track the Closing Level, (ii) compare the Closing Price of the Underlying Securities of the SPY ETF on such Allocation Date to its Moving Average, and (iii) compare the Total Return of the Underlying Securities of the IEF ETF on such Allocation Date to its Moving Average, to determine the Portfolio allocation for the following period.</p> <p>On each Allocation Date, the Strategy will determine the Portfolio for the period from and including the second Exchange Day following such Allocation Date to and including the first Exchange Day following the next Allocation Date in the following manner:</p> <ul style="list-style-type: none">(i) if the Index has a Closing Level above 815, the Portfolio will be allocated to the Underlying Securities of the HYG ETF;(ii) if the Index has a Closing Level between 490 and 815 (inclusive), the Portfolio will be allocated to the:<ul style="list-style-type: none">(a) Underlying Securities of the HYG ETF if the Index had a Closing Level above 815 on the most recent previous Allocation Date on which the Closing Level was not between 490 and 815 (inclusive);(b) Deposit if (1) the Index had a Closing Level below 490 on the most recent previous Allocation Date on which the Closing Level was not between 490 and 815 (inclusive), (2) the Closing Price of the Underlying Securities of the SPY ETF is less than or equal to its Moving Average and (3) the Total Return of the Underlying Securities of the IEF ETF is less than or equal to its Moving Average;(c) Underlying Securities of the IEF ETF if (1) the Index had a Closing Level below 490 on the most recent previous Allocation Date on which the Closing Level was not between 490 and 815 (inclusive), (2) the Closing Price of the Underlying Securities of the SPY ETF is less than or equal to its Moving Average and (3) the Total Return of the Underlying Securities of the IEF ETF is greater than its Moving Average; or(d) Underlying Securities of the SPY ETF if (1) the Index had a Closing Level below 490 on the most recent previous Allocation Date on which the Closing Level was not between 490 and 815 (inclusive) and (2) the Closing Price of the Underlying Securities of the SPY ETF is

greater than its Moving Average;

(iii) if the Index has a Closing Level below 490, the Portfolio will be allocated to the:

- (a) Deposit if (1) the Closing Price of the Underlying Securities of the SPY ETF is less than or equal to its Moving Average and (2) the Total Return of the Underlying Securities of the IEF ETF is less than or equal to its Moving Average;
- (b) Underlying Securities of the IEF ETF if (1) the Closing Price of the Underlying Securities of the SPY ETF is less than or equal to its Moving Average and (2) the Total Return of the Underlying Securities of the IEF ETF is greater than its Moving Average; or
- (c) Underlying Securities of the SPY ETF if the Closing Price of the Underlying Securities of the SPY ETF is greater than its Moving Average.

The “**Closing Level**”, on any date, is the daily official closing level of the Index quoted on <https://fred.stlouisfed.org/series/BAMLH0A0HYM2> for such date, as determined by the Calculation Agent.

“**Closing Price**” means, in respect of an Underlying Security on any Exchange Day, the official closing price for that Underlying Security as announced by the Exchange on such Exchange Day, provided that, if on or after the Issue Date the Exchange changes the time of day at which such official closing price is determined or fails to announce such official closing price, the Calculation Agent may thereafter deem the Closing Price to be the price of that Underlying Security as of the time of day used by the Exchange to determine the official closing price prior to such change or failure to announce. On any day other than an Exchange Day, the Closing Price shall be the official closing price for that Underlying Security as announced by the Exchange on the immediately preceding Exchange Day.

“**Moving Average**” means, (i) in respect of the SPY ETF on any Allocation Date, the average Closing Prices of the Underlying Securities of the SPY ETF over the 200 Exchange Days including and immediately preceding such Allocation Date, and (ii) in respect of the IEF ETF on any Allocation Date, the average Total Return of the Underlying Securities of the IEF ETF over the 200 Exchange Days including and immediately preceding such Allocation Date.

“**Total Return**” means, in respect of an Underlying Security of the IEF ETF on any Exchange Day, an amount equal to the product of (A) multiplied by (B), where (A) is a fraction, the numerator of which is the sum of the Closing Price of the Underlying Securities of the IEF ETF on such Exchange Day plus the amount of any Equity Distributions paid by the Underlying Security Issuer on an Underlying Security of the IEF ETF on such Exchange Day and the denominator of which is the Closing Price of that Underlying Security on the immediately preceding Exchange Day, and (B) is the Total Return of an Underlying Security of the IEF ETF on the immediately preceding Exchange Day, without taking into account this item (B) for the first Exchange Day following the listing of the Underlying Securities of the IEF ETF.

Outstanding Principal Amount:

The “**Outstanding Principal Amount**” on each \$100 Principal Amount per Debt Security at any particular time will be equal to: (i) \$100 minus (ii) the sum of all the Partial Principal Repayments (before deducting withholding tax, if any) made on the Debt Security at or prior to the particular time.

Variable Return:

The “**Variable Return**” on each \$100 Principal Amount per Debt Security will be calculated by the Calculation Agent on the Final Valuation Date and will be equal to: (i) the NAV per Debt Security minus (ii) the Outstanding Principal Amount in respect of such Debt Security. The Variable Return may be positive or negative.

Valuation of the Debt Securities:

The value of the Portfolio for the Debt Securities (the “**Value of the Portfolio**”) on any Business Day will be calculated by the Calculation Agent and will be equal to the product obtained by multiplying the Closing Price of the Underlying Securities notionally included in the Portfolio at such time by the number of such Underlying Securities, plus, without duplication, (i) the proceeds from the notional disposition of any Deposit, (ii) any cash not yet notionally invested, (iii) the value of any notionally outstanding Currency Forward, (iv) on the Final Valuation Date and any of the Exchange Days between the Final Currency Forward Date and the Final Valuation Date, the final Settlement Amount, if any, and (v) an amount equal to any Equity Distributions (or the cash value of non-cash Equity Distributions, as determined by the Calculation Agent acting in good faith) that are not notionally reinvested in the Portfolio or used to satisfy a Partial Principal Repayment at such time, expressed in Canadian dollars converted using the Daily Exchange Rate for the day such calculation is made, provided that any calculations with respect to the Redemption Amount will be calculated based on the applicable CAD/USD Foreign Exchange Rate.

The net value of the Portfolio for the Debt Securities (the “**Net Value of the Portfolio**”) on any Business Day will be calculated by the Calculation Agent and will be the Value of the Portfolio less the ongoing portion of the Note Program Amount, as adjusted as referred to at “Partial Currency Hedge” below.

Payment at Maturity:

At maturity, each holder of a Debt Security will receive a payment in Canadian dollars equal to the Redemption Amount. The “**Redemption Amount**” on each \$100 Principal Amount per Debt Security will be equal to the greater of: (i) the Outstanding Principal Amount of such Debt Security, plus the Variable Return (which may be positive or negative); and (ii) \$1.00.

Partial Currency Hedge:

On the last Business Day of the calendar month immediately prior to the Initial Valuation Date and on the last Business Day of each calendar quarter thereafter, the Calculation Agent will assume that the Portfolio is partially hedged through a notional cash-settled three-month forward contract (the “**Currency Forward**”) to purchase a number of Canadian dollars in respect of the United States dollar equivalent of the Net Value of the Portfolio on such date (adjusted as described in the Pricing Supplement), as determined by the Calculation Agent, acting in good faith. The rate applicable to any Currency Forward will be equal to the Reference Rate on such date. Please see the Pricing Supplement for additional details.

The “Reference Rate” on any date with respect to any Currency Forward will be equal to the market rate quoted to the Calculation Agent by a provider of currency forwards on such date, which market rate is typically similar to (but not precisely the same as) the market rate posted by the Bloomberg composite quotation system on such date. Such market rate will be (a) quoted by a provider that is independent of the Calculation Agent or (b) the best rate among rates quoted by four providers (which may include an affiliate of the Calculation Agent but will include at least three providers that are independent of the Calculation Agent).

Eligibility for Investment:

Eligible for RRSPs, RRIFs, RESPs, RDSPs, DPSPs and TFSAs.

Capitalized terms used but not defined herein have the meanings ascribed to such terms 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 Debt Securities will not constitute deposits insured under the *Canada Deposit Insurance Corporation Act*.

An investment in the Debt Securities involves risks. An investment in the Debt Securities is not the same as a direct investment in the Underlying Securities and investors have no rights with respect to the Deposit, the Underlying Securities, the ETFs, the securities comprising the Index or the securities comprising the Tracked Indices. The Debt Securities are considered to be “specified derivatives” under applicable Canadian securities laws. If you purchase Debt Securities, you will be exposed to changes in the prices of the Underlying Securities and fluctuations in interest rates, among other factors. Price changes may be volatile and an investment in the Debt Securities may be considered to be speculative. Since the Debt Securities are not principal protected and the Principal Amount will be at risk, you could lose substantially all of your investment.

The initial estimated value of the Debt Securities set forth on the cover page of the Pricing Supplement does not take into account the ongoing fees and expenses applicable during the term of the Debt Securities, including the ongoing annual component of the Note Program Amount, or any Canadian foreign tax credits or deductions which may be available to the Bank in respect of foreign withholding taxes which may apply to dividends and other distributions received by the Bank if the Bank were to hedge its obligations under the Debt Securities by acquiring the Underlying Securities.

The Debt Securities are not fixed income securities and are not designed to be alternatives to fixed income or money market instruments. The Debt Securities are structured products that possess downside risk.

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