



Capital  
Markets

INDEX LINKED SECURITIES | RBC GLOBAL INVESTMENT SOLUTIONS

# RBC Solactive Canada Bank 40 AR Index Barrier Conditional with 11.440% Memory Interest Securities (CAD), Series 1, F-Class Non-Principal Protected Security

7.0 year term

Performance linked to the  
Solactive Canada Bank 40 AR  
Index

Potential 11.440% coupon per  
annual period with memory plus a  
Participation Amount

Subscriptions  
Close

on or about  
November 10, 2022

FUNDSERV

RBC8950

This summary is qualified in its entirety by a pricing supplement (the “Pricing Supplement”), the base shelf prospectus dated March 25, 2022, the program prospectus supplement dated March 28, 2022 and the product prospectus supplement dated March 28, 2022 in respect of index linked securities.

[www.rbcnotes.com](http://www.rbcnotes.com)

## KEY TERMS

Issuer:	Royal Bank of Canada
Issuer Credit Ratings:	Moody's: Aa1; S&P: AA-; DBRS: AA
Currency:	CAD
Minimum Investment:	50 Securities or \$5,000
Term:	Approximately 7.0 years
Principal at Risk:	The Securities are not principal protected.
Underlying Index:	The return on the Securities is linked to the adjusted returns of the Solactive Canada Bank 40 AR Index (the “ <b>Underlying Index</b> ”). The Underlying Index is an adjusted return index that aims to track the gross total return performance of the Solactive Canada Bank TR Index (the “ <b>Target Index</b> ”), subject to a reduction of a synthetic dividend of 40 index points per annum calculated daily in arrears (the “ <b>Adjusted Return Factor</b> ”). <b>For the avoidance of doubt, the return on the Securities is linked to the Underlying Index and is not linked to the Target Index.</b> The Closing Level on October 18, 2022 was 765.99. The Adjusted Return Factor divided by the Closing Level was therefore equal to 5.222% on October 18, 2022. Over the term of the Securities, the sum of the Adjusted Return Factor will be approximately 280 index points, representing 36.554% of the Closing Level on October 18, 2022. Securities do not represent an interest in the Underlying Index, the Target Index or in the securities of the entities that comprise the Target 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.
Issue Date:	November 18, 2022
Initial Index Level:	The “ <b>Initial Index Level</b> ” is the Closing Level on November 14, 2022 (the “ <b>Initial Valuation Date</b> ”).
Protection Barrier Level:	The “ <b>Protection Barrier Level</b> ” is 80.00% of the Initial Index Level.
Coupon Barrier Level:	The “ <b>Coupon Barrier Level</b> ” is 80.00% of the Initial Index Level.
Final Index Level:	The “ <b>Final Index Level</b> ” is the Closing Level on November 5, 2029 (the “ <b>Final Valuation Date</b> ”).
Maturity Date:	November 8, 2029

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

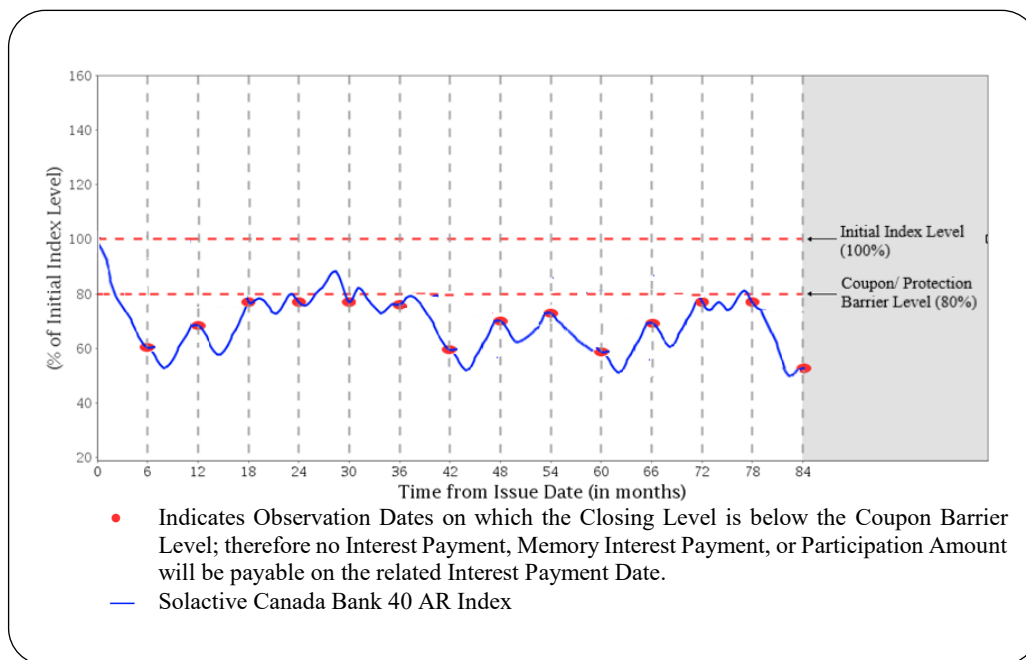
Closing Level:	The “ <b>Closing Level</b> ” on any date is the official closing level of the Underlying Index quoted on www.solactive.com for such date, as determined by the Calculation Agent.																			
Observation Dates:	<p>An “<b>Observation Date</b>” for the purposes of determining the amount of any Interest Payment, Memory Interest Payment, and Participation Amount will occur semi-annually on the dates specified below in each year that the Securities are outstanding, from and including May 4, 2023 to and including November 5, 2029. If any such Observation Date is not an Exchange Day, it shall be postponed to the next succeeding Exchange Day.</p> <p>The Bank intends the Observation Dates to be:</p> <table><tr><td>May 4, 2023</td><td>November 6, 2023</td><td>May 6, 2024</td><td>November 4, 2024</td></tr><tr><td>May 5, 2025</td><td>November 4, 2025</td><td>May 4, 2026</td><td>November 4, 2026</td></tr><tr><td>May 4, 2027</td><td>November 4, 2027</td><td>May 4, 2028</td><td>November 6, 2028</td></tr><tr><td>May 4, 2029</td><td>November 5, 2029</td><td></td><td></td></tr></table>				May 4, 2023	November 6, 2023	May 6, 2024	November 4, 2024	May 5, 2025	November 4, 2025	May 4, 2026	November 4, 2026	May 4, 2027	November 4, 2027	May 4, 2028	November 6, 2028	May 4, 2029	November 5, 2029		
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May 4, 2027	November 4, 2027	May 4, 2028	November 6, 2028																	
May 4, 2029	November 5, 2029																			
Interest Payment Dates:	<p>The “<b>Interest Payment Date</b>” for an Interest Payment, a Memory Interest Payment, if any, and a Participation Amount, if any, will occur semi-annually on the dates specified below in each year that the Securities are outstanding, from and including May 9, 2023 to and including November 8, 2029. The Bank intends the Interest Payment Dates to be:</p> <table><tr><td>May 9, 2023</td><td>November 9, 2023</td><td>May 9, 2024</td><td>November 7, 2024</td></tr><tr><td>May 8, 2025</td><td>November 7, 2025</td><td>May 7, 2026</td><td>November 9, 2026</td></tr><tr><td>May 7, 2027</td><td>November 9, 2027</td><td>May 9, 2028</td><td>November 9, 2028</td></tr><tr><td>May 9, 2029</td><td>November 8, 2029</td><td></td><td></td></tr></table>				May 9, 2023	November 9, 2023	May 9, 2024	November 7, 2024	May 8, 2025	November 7, 2025	May 7, 2026	November 9, 2026	May 7, 2027	November 9, 2027	May 9, 2028	November 9, 2028	May 9, 2029	November 8, 2029		
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May 7, 2027	November 9, 2027	May 9, 2028	November 9, 2028																	
May 9, 2029	November 8, 2029																			
Interest Payments and Memory Interest Payments:	<p>Interest payments (the “<b>Interest Payments</b>” and each, an “<b>Interest Payment</b>”), if any, on the Securities will be payable on each Interest Payment Date, in arrears, at a fixed interest rate of 5.720% semi-annually ending on an Interest Payment Date (an “<b>Interest Period</b>”) for each Interest Period in which a Digital Payout Event occurs on the Observation Date occurring in the Interest Period.</p> <p>When an Interest Payment becomes payable on an Interest Payment Date following the occurrence of a Digital Payout Event, an additional interest payment (each, a “<b>Memory Interest Payment</b>” and, together with each other Memory Interest Payment, if any, on other Interest Payment Dates, the “<b>Memory Interest Payments</b>”) will be payable on each such applicable Interest Payment Date, at a fixed interest rate of 5.720%, multiplied by the number of all preceding Interest Periods if no Digital Payout Event has previously occurred, or, by the number of preceding Interest Periods, if any, in which a Digital Payout Event has not occurred since the last Digital Payout Event, as applicable. For certainty, any Memory Interest Payment shall be paid in addition to any Interest Payment payable on an Interest Payment Date.</p> <p>In addition, when an Interest Payment becomes payable on an Interest Payment Date following the occurrence of a Digital Payout Event, the Participation Amount will also be payable on the Percentage Change on the applicable Observation Date in excess of -20.00% on each such applicable Interest Payment Date.</p> <p>On the basis of the foregoing, the amount payable on each \$100 Principal Amount of Securities for an Interest Period in which a Digital Payout Event has occurred would equal:</p> <p>(a) the Interest Payment, being <math>\\$100 \times 5.720\%</math>; plus</p> <p>(b) the Memory Interest Payment, being <math>(\\$100 \times 5.720\%) \times n</math>; plus</p> <p>(c) the Participation Amount, being <math>0.20\% \times \\$100.00 \times</math> the Percentage Change on the applicable Observation Date in excess of -20.00%,</p> <p>where “<b>n</b>” means the number of all preceding Interest Periods if no Digital Payout Event has previously occurred, or, the number of preceding Interest Periods, if any, in which a Digital Payout Event has not occurred since the last Digital Payout Event, as applicable.</p> <p>If a Digital Payout Event does not occur on the Observation Date during a particular Interest Period, no Interest Payment or Participation Amount will be payable on the Securities for such Interest Period and no Memory Interest Payment will be payable until the occurrence of the next succeeding Digital Payout Event, if any.</p>																			
Digital Payout Event:	A “ <b>Digital Payout Event</b> ” will occur if, on the relevant Observation Date, the Closing Level is greater than or equal to the Coupon Barrier Level.																			
Percentage Change:	<p>The “<b>Percentage Change</b>” on the applicable Observation Date is the amount, expressed as a percentage rounded to three decimal places, equal to:</p> $\frac{(\text{Closing Level on such Observation Date} - \text{Initial Index Level})}{\text{Initial Index Level}}$																			

Participation Amount:	<p>The “<b>Participation Amount</b>” payable on an Interest Payment Date following the occurrence of a Digital Payout Event is 0.20% of the Percentage Change on the applicable Observation Date in excess of -20.00%. For each \$100 Principal Amount per Security, the Participation Amount will be equal to:</p> $0.20\% \times (\$100.00 \times \text{Percentage Change on such Observation Date in excess of -20.00\%})$
Payment at Maturity:	<p>On the Maturity Date, the amount payable (the “<b>Redemption Amount</b>”) for each \$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, \$100; or</p> <p>(b) if the Final Index Level is less than the Protection Barrier Level, the Redemption Amount will be:</p> $\$100.00 + (\$100.00 \times \text{Percentage Change on the Final Valuation Date})$ <p>In addition to the Redemption Amount, an Interest Payment, a Memory Interest Payment, if any, and a Participation Amount, if any, will be paid on the Maturity Date if a Digital Payout Event occurs on the Final Valuation Date. The minimum payment at maturity is \$1.00.</p>
Secondary Market:	<p>Fundserv, RBC8950</p> <p>Generally, to be effective on a Business Day, a redemption request will need to be initiated by 2:00 p.m. (Toronto time) on that Business Day (or such other time as may be established by Fundserv). Any request received after such time will be deemed to be a request sent and received on the next following Business Day.</p>

Sample Calculations of Redemption Amount and Interest Payments, Memory Interest Payments, and Participation Amounts:

The examples set out below are included for illustration purposes only. The performance of the Underlying Index used to illustrate the calculation of the Redemption Amount and the Interest Payments, Memory Interest Payments, and Participation Amounts over the term of the Securities is not an estimate or forecast of the performance of the Underlying Index or the Securities. All examples assume that a holder of the Securities has purchased Securities with an aggregate Principal Amount of \$100 and that no Extraordinary Event has occurred. All examples assume a Coupon Barrier Level of 80.00% of the Initial Index Level and a Protection Barrier Level of 80.00% 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 no Interest Payments, Memory Interest Payments, or Participation Amounts payable and Payment on the Maturity Date at Less Than the Principal Amount**



In this scenario, there is no Observation Date on which the Closing Level is at or above the Coupon Barrier Level and, accordingly, no Interest Payment, Memory Interest Payment, or Participation Amount would be payable on the Securities. On the Final Valuation Date, the Final Index Level is below the Protection Barrier Level.

(i) Interest Payments, Memory Interest Payments, and Participation Amounts

Observation Date	Percentage Change	Percentage Change in excess of - 20.00%	Interest Payment	Memory Interest Payment	Participation Amount
1	-40.00%	-	\$0.00	\$0.00	\$0.00
2	-30.00%	-	\$0.00	\$0.00	\$0.00
3	-22.00%	-	\$0.00	\$0.00	\$0.00
4	-23.00%	-	\$0.00	\$0.00	\$0.00
5	-22.00%	-	\$0.00	\$0.00	\$0.00
6	-24.00%	-	\$0.00	\$0.00	\$0.00
7	-40.00%	-	\$0.00	\$0.00	\$0.00
8	-30.00%	-	\$0.00	\$0.00	\$0.00
9	-25.00%	-	\$0.00	\$0.00	\$0.00
10	-40.00%	-	\$0.00	\$0.00	\$0.00
11	-30.00%	-	\$0.00	\$0.00	\$0.00
12	-22.00%	-	\$0.00	\$0.00	\$0.00
13	-23.00%	-	\$0.00	\$0.00	\$0.00
14	-23.00%	-	\$0.00	\$0.00	\$0.00

(ii) Redemption Amount

In this example, the Initial Index Level is 765.99 and the Final Index Level is 589.81. Therefore, the Redemption Amount would be calculated as follows:

Initial Index Level = 765.99

Final Index Level = 589.81

Percentage Change on the Final Valuation Date =  $(589.81 - 765.99) / 765.99 = -0.23000$  or -23.000%

Since the Final Index Level is below the Protection Barrier Level, the Redemption Amount is calculated as follows:

Redemption Amount =  $\$100.00 + (\$100.00 \times -23.000\%) = \$77.00$

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

(a) Total Interest Payments, Memory Interest Payments, and Participation Amounts: \$0.00

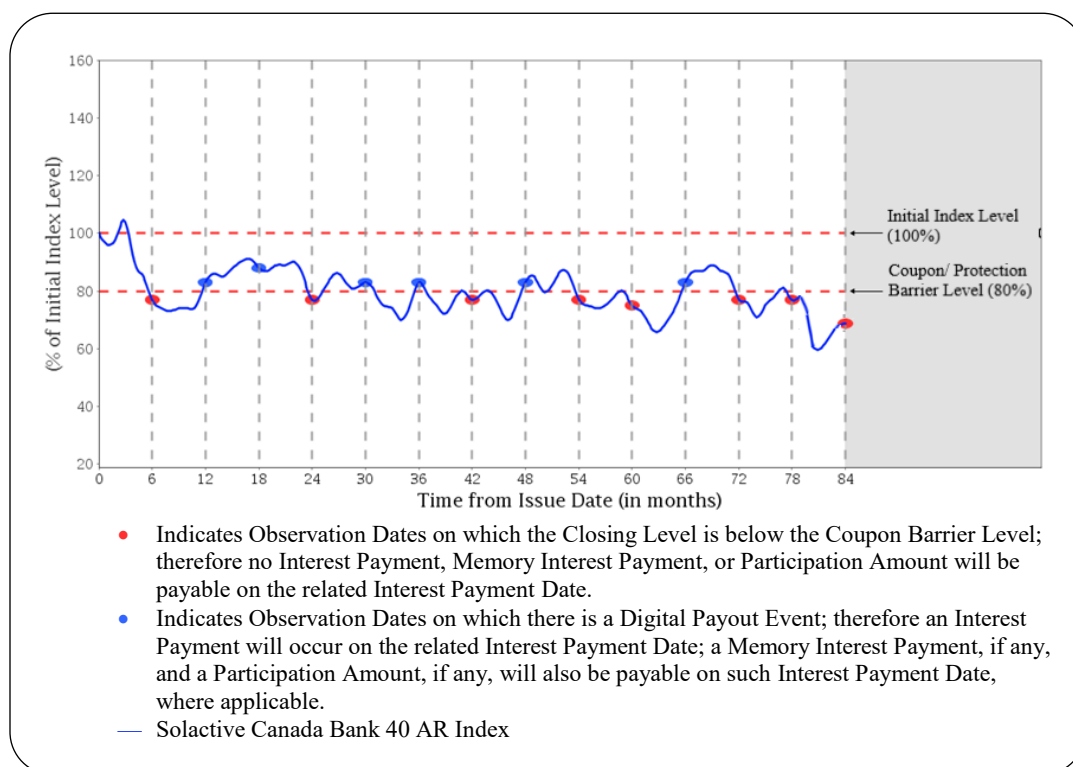
(b) Redemption Amount: \$77.00

(c) Total amount paid over the term of the Securities: \$77.00

The equivalent annually compounded rate of return in this example is -3.66%.

Sample Calculations:  
(continued)

**Example #2: Gain Scenario with Interest Payments, Memory Interest Payments, and Participation Amounts payable and Payment on the Maturity Date at Less Than the Principal Amount**



In this scenario, there are 6 Observation Dates on which the Closing Level is at or above the Coupon Barrier Level and, accordingly, there is a Digital Payout Event on 6 out of the 14 Observation Dates. On the other 8 Observation Dates, no Digital Payout Event would occur because the Closing Level is below the Coupon Barrier Level. However, 5 out of such 8 Observation Dates on which the Closing Level is below the Coupon Barrier Level are followed by the occurrence of a Digital Payout Event on a succeeding Observation Date. In addition, since the Percentage Change on the applicable Observation Date for each Digital Payout Event exceeds -20.00%, a Participation Amount will be payable on the applicable Interest Payment Date. Therefore, the Interest Payment of \$5.72 per Interest Period, plus the applicable Participation Amount, would be payable for 6 Interest Periods on the applicable Interest Payment Date and the Memory Interest Payment of 5.720% per number of applicable preceding Interest Periods would be payable for 5 additional Interest Periods on the applicable Interest Payment Date. On the Final Valuation Date, the Final Index Level is below the Protection Barrier Level.

(i) Interest Payments, Memory Interest Payments, and Participation Amounts

Observation Date	Percentage Change	Percentage Change in excess of - 20.00%	Interest Payment	Memory Interest Payment	Participation Amount
1	-22.00%	-	\$0.00	\$0.00	-
2	-17.00%	3.00%	\$5.72	\$5.72	\$0.01
3	-12.00%	8.00%	\$5.72	\$0.00	\$0.02
4	-23.00%	-	\$0.00	\$0.00	-
5	-16.00%	4.00%	\$5.72	\$5.72	\$0.01
6	-17.00%	3.00%	\$5.72	\$0.00	\$0.01
7	-23.00%	-	\$0.00	\$0.00	-
8	-16.00%	4.00%	\$5.72	\$5.72	\$0.01
9	-23.00%	-	\$0.00	\$0.00	-
10	-25.00%	-	\$0.00	\$0.00	-
11	-17.00%	3.00%	\$5.72	\$11.44	\$0.01
12	-22.00%	-	\$0.00	\$0.00	-
13	-23.00%	-	\$0.00	\$0.00	-
14	-30.00%	-	\$0.00	\$0.00	-

(ii) Redemption Amount

In this example, the Initial Index Level is 765.99 and the Final Index Level is 536.19. Therefore, the Redemption Amount would be calculated as follows:

Initial Index Level = 765.99

Final Index Level = 536.19

Percentage Change on the Final Valuation Date =  $(536.19 - 765.99) / 765.99 = -0.30000$  or -30.000%

Since the Final Index Level is below the Protection Barrier Level, the Redemption Amount is calculated as follows:

Redemption Amount =  $\$100.00 + (\$100.00 \times -30.000\%) = \$70.00$

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

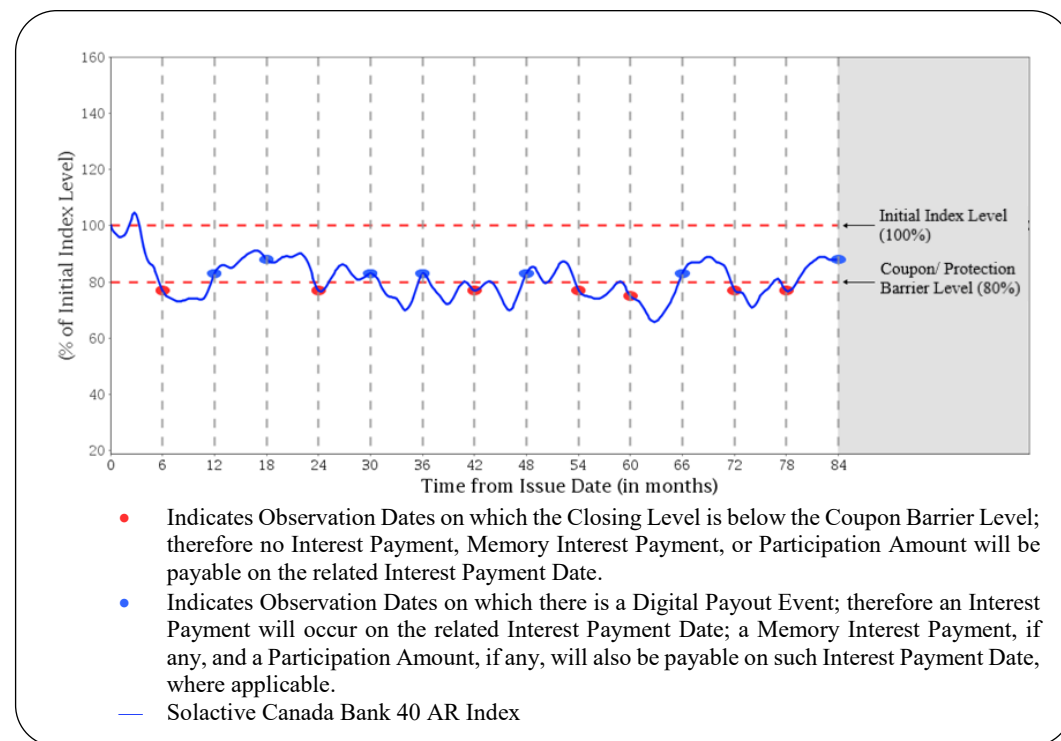
(a) Total Interest Payments, Memory Interest Payments, and Participation Amounts: \$62.99

(b) Redemption Amount: \$70.00

(c) Total amount paid over the term of the Securities: \$132.99

The equivalent annually compounded rate of return in this example is 4.16%.

**Example #3: Gain Scenario with Interest Payments, Memory Interest Payments, and Participation Amounts payable and Payment on the Maturity Date at the Principal Amount**



In this scenario, there are 7 Observation Dates on which the Closing Level is at or above the Coupon Barrier Level and, accordingly, there is a Digital Payout Event on 7 out of the 14 Observation Dates. On the other 7 Observation Dates, no Digital Payout Event would occur because the Closing Level is below the Coupon Barrier Level. However, all of such 7 Observation Dates on which the Closing Level is below the Coupon Barrier Level are followed by the occurrence of a Digital Payout Event on a succeeding Observation Date. In addition, since the Percentage Change on the applicable Observation Date for each Digital Payout Event exceeds -20.00%, a Participation Amount will be payable on the applicable Interest Payment Date. Therefore, the Interest Payment of \$5.72 per Interest Period, plus the applicable Participation Amount, would be payable for 7 Interest Periods on the applicable Interest Payment Date and the Memory Interest Payment of 5.720% per number of applicable preceding Interest Periods would be payable for 7 additional Interest Periods on the applicable Interest Payment Date. On the Final Valuation Date, the Final Index Level is at or above the Protection Barrier Level.

(i) Interest Payments, Memory Interest Payments, and Participation Amounts

Observation Date	Percentage Change	Percentage Change in excess of -20.00%	Interest Payment	Memory Interest Payment	Participation Amount
1	-22.00%	-	\$0.00	\$0.00	-
2	-17.00%	3.00%	\$5.72	\$5.72	\$0.01
3	-12.00%	8.00%	\$5.72	\$0.00	\$0.02
4	-23.00%	-	\$0.00	\$0.00	-
5	-16.00%	4.00%	\$5.72	\$5.72	\$0.01
6	-17.00%	3.00%	\$5.72	\$0.00	\$0.01
7	-23.00%	-	\$0.00	\$0.00	-
8	-16.00%	4.00%	\$5.72	\$5.72	\$0.01
9	-23.00%	-	\$0.00	\$0.00	-
10	-25.00%	-	\$0.00	\$0.00	-
11	-17.00%	3.00%	\$5.72	\$11.44	\$0.01
12	-22.00%	-	\$0.00	\$0.00	-
13	-23.00%	-	\$0.00	\$0.00	-
14	-10.00%	10.00%	\$5.72	\$11.44	\$0.02

(ii) Redemption Amount

In this example, since the Final Index Level is 689.39, which is above the Protection Barrier Level of 80.00% of the Initial

Index Level of 765.99, being 612.79, the Redemption Amount per Security is equal to \$100.00.

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

(a) Total Interest Payments, Memory Interest Payments, and Participation Amounts: \$80.17

(b) Redemption Amount: \$100.00

(c) Total amount paid over the term of the Securities: \$180.17

The equivalent annually compounded rate of return in this example is 8.77%.



Initial Estimated Value:

The initial estimated value of the Securities as of October 18, 2022 was \$98.97 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.

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The Solactive Canada Bank 40 AR Index is owned, calculated, administered and published by Solactive AG ("Solactive"), and the name "Solactive" is a registered trademark of Solactive. The Solactive Canada Bank 40 AR Index has been licensed for use by the Bank in connection with the Securities. The Securities are not sponsored, promoted, sold or supported in any other manner by Solactive and Solactive makes no representation or warranty, express or implied, regarding the advisability of investing in such product(s). Solactive does not guarantee the accuracy or completeness of the Solactive Canada Bank 40 AR Index or the Solactive Canada Bank TR Index, any data included therein, or any data from which it is derived, nor has any liability for any errors, omissions, or interruptions therein.

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. The Securities are linked to the Underlying Index which reflects (i) the applicable price changes of the constituent securities of the Target Index and any dividends and distributions paid in respect of such securities, without deduction of any withholding tax or other amounts accruing thereon to which an investor holding the constituent securities of the Target Index would typically be exposed, less (ii) the Adjusted Return Factor. An investment in the Securities is not the same as a direct investment in the securities that comprise the Target Index and investors have no rights with respect to the securities underlying such index. The return on the Securities will not reflect the total return that an investor would receive if such investor owned the securities that comprise the Target 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 Underlying 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.

