



RBC Fixed Yield Security Description

Medium Term Investments

Guaranteed Coupon Payments over the term of the Notes

Conditional Downside Protection based on the performance of the Underlying Asset

RBC FIXED YIELD SECURITIES

- › RBC Fixed Yield Securities provide investors with fixed interest payments during the term of the note, along with conditional downside principal protection, based on the performance of the Underlying Asset.
- › Notes may be linked to a variety of asset classes, including Indices, Equities and Exchange Traded Funds.

INVESTMENT HIGHLIGHTS

Guaranteed Coupons: Clients will receive a fixed guaranteed coupon paid during the term of the note, on a monthly, quarterly, semi-annual or annual basis. Interest payments will be made regardless of the performance of the Underlying Asset.

Conditional Downside Protection: Clients will receive a Redemption Amount of \$100 if at maturity the Closing Level of the Underlying Asset is above the Protection Barrier Level at maturity. If the Closing Level of the Underlying Asset is below the Protection Barrier, the note will return the performance of the Underlying Asset, which will reflect the full loss of the Underlying Asset.

SAMPLE PAYOUT SCENARIOS

Example 1: The Underlying Asset matures above the Initial Level:

At maturity, if the Underlying Asset is above the Initial Level, investors will receive a Redemption Amount equal to \$100. Investors will receive the Fixed Guaranteed Coupons on each scheduled payment date.

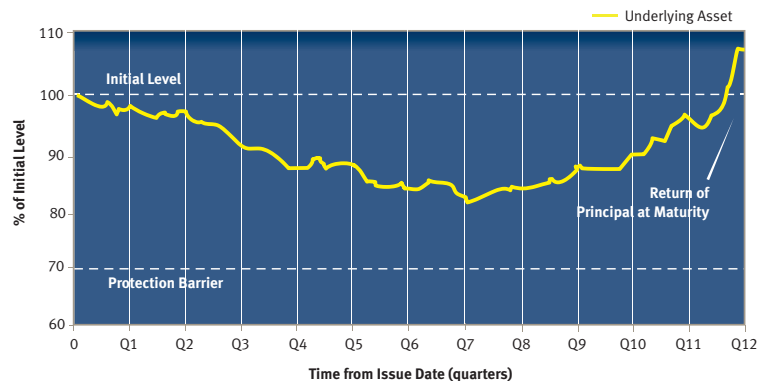
Example:

Monthly Coupon Payment: 0.40% or \$0.40 per \$100 security (4.80% per annum) Term : 5 years

Clients receive:

- › \$0.40 per month x 60 months = \$24.00 in interest payments paid monthly
- › \$100 at maturity

Total Payments over term of security including principal at maturity: **\$124.00**



PAYOUT SCENARIOS CONTINUED

Example 2: The Underlying Asset matures below the Initial Level, but above the Protection Barrier

At maturity, if the Underlying Asset is above the Protection Barrier Level, investors will receive a Redemption Amount equal to \$100. Investors will receive the Fixed Guaranteed Coupons on each scheduled payment date.

Example:

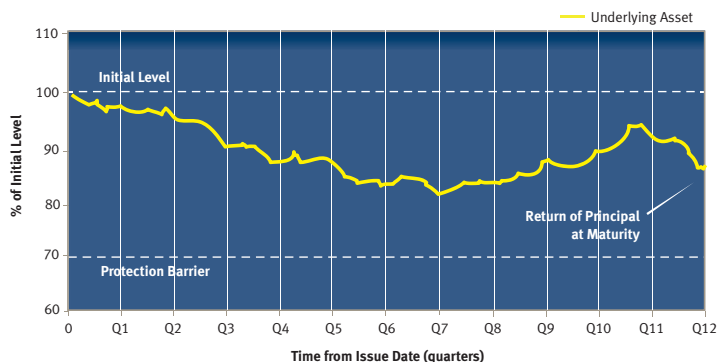
Monthly Coupon Payment: 0.40% or \$0.40 per \$100 security (4.80% per annum)

Term : 5 years

Clients receive:

- › \$0.40 per month x 60 months = \$24.00 in interest payments paid monthly
- › \$100 at maturity

Total Payments over term of security including principal at maturity:
\$124.00



Example 3: The Underlying Asset matures below the Protection Barrier Level

At maturity, if the Underlying Asset is below the Protection Barrier Level, investors will receive the negative performance of the Underlying Asset. Investors will receive the Fixed Guaranteed Coupons on each scheduled payment date.

Example:

Monthly Coupon Payment: 0.40% or \$0.40 per \$100 security (4.80% per annum)

Term : 5 years

Initial Level of the Underlying: 730

Final Level of the Underlying : 474.50

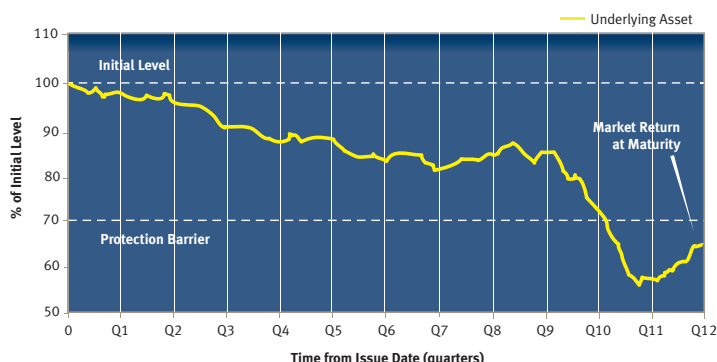
Assuming the Underlying Asset closes below the Protection Barrier, the Final Level is calculated as :

Principal Amount of Securities x Performance of Underlying Asset
 $\$100 \times (474.50/730) = \65.00

Clients receive:

- › \$0.40 per month x 60 months = \$24.00 in interest payments paid monthly, and
- › \$65.00 return of principal at maturity

Total Payments over term of security including principal at maturity:
\$89.00



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