RBC Wealth Management
Client Relationship Summary

September 30, 2020

PLEASE RETAIN A COPY OF THIS DOCUMENT FOR YOUR RECORDS

RBC Capital Markets, LLC (“we,” “us” or “RBC WM”) is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (SEC). You1 may receive services from RBC WM as a client of its RBC Wealth Management division or as a client of another broker-dealer for which RBC WM provides custody and clearing services through its RBC Correspondent Services division (in which case, such other broker-dealer is referred to here as your “introducing broker”). If you receive services through your introducing broker, RBC WM does not make investment recommendations to you in its capacity as broker-dealer; please review your introducing broker’s Client Relationship Summary for information about their brokerage services to you.

Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. This disclosure summarizes the differences between our brokerage and investment advisory services and fees and will help you understand these differences (and our conflicts), particularly when you are deciding to open and fund either a brokerage or advisory account with us. Free and simple tools are available for you to research firms at the SEC’s investor education website, investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing. You can find additional information about us and our financial advisors (“FAs”) on the Financial Industry Regulatory Authority’s (FINRA) website located at brokercheck.finra.org.

This disclosure is provided to comply with the SEC’s Form CRS and Regulation Best Interest disclosure requirements. It does not create or modify any agreement, relationship, or obligation between you and RBC WM (or its FAs). Please consult your agreements with RBC WM for all terms and conditions controlling your account and relationship with us. Additional information is available on our website at rbcwm.com/disclosures.

This disclosure includes information about our services, fees and costs, and conflicts of interest that we are required to provide to you when we recommend that you open and fund either a brokerage or advisory account, or when we recommend that you roll over or transfer assets to a brokerage or advisory account with us. Additional information about the securities we may recommend to you in your brokerage or advisory account is included in our “Brokerage Disclosure Document” and our “Advisory Disclosure Documents”, which are available at rbcwm.com/disclosures.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Depending on your needs and your investment objectives, RBC WM may assist you with brokerage services, investment advisory services, or both.

Our investment offerings

In both our brokerage services and investment advisory services, we offer and recommend a wide range of investments including but not limited to: mutual funds, stocks, exchange traded products (ETPs), including exchange traded funds (ETFs), and exchange traded notes, options, fixed income securities, certificates of deposit (CDs), unit investment trusts (UITs), structured notes, variable annuities, and variable life insurance, including investments or other products that we and our affiliates issue, sponsor, provide or manage (“proprietary products”), as well as investments from unaffiliated third-parties. We do not limit our investment offerings or recommendations to proprietary products, specific asset classes, or to those with third-party compensation arrangements, though we expect to receive compensation from third-parties in connection with many of the investments we offer, including, in particular, mutual funds, variable annuities, and cash sweep options.

Brokerage Services

Our brokerage services include buying and selling securities (e.g., mutual funds, stocks, and bonds) at your direction. From time to time, or when you request, we also provide you with investment recommendations, research, financial tools, and investor education. Investment recommendations we make to you, including recommendations to open or transfer assets to a brokerage account, will be made in our capacity as a broker dealer.

Limits on Monitoring and Investment Discretion

We do not exercise discretionary investment authority in your brokerage account (i.e., make decisions to buy or sell your investments without your direction) or monitor your brokerage account investments for you, unless we state otherwise in writing. This means that you are responsible for reviewing your account and investments to make sure your investment mix is appropriate for you and for deciding whether to follow our investment recommendations.

Investment and insurance products offered through RBC Wealth Management are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, or guaranteed by, a bank or any bank affiliate, and are subject to investment risks, including possible loss of the principal amount invested.

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1 This Client Relationship Summary only applies to you if you are a natural person, or the legal representative of a natural person, who receives a recommendation from RBC WM and uses it primarily for personal, family or household purposes.

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No Account Minimums
You do not need to have a minimum amount to invest to open a brokerage account with us, but some of the investments you may purchase through us have minimum investment requirements. For more information regarding minimum investment requirements, please refer to the prospectus or offering documents for your investment.

More information about our brokerage services is included in our “Brokerage Disclosure Document”, which is available at rbcwm.com/disclosures.

Investment Advisory Services
Our investment advisory services include managing and allocating client assets among investments available on our advisory platforms, managed portfolios from third-party managers, and financial planning services. When we provide you with investment advice for a fee under an investment advisory agreement, including advising you to open or transfer assets to an advisory account, we will be acting in our capacity as an investment adviser.

If we provide investment advisory services to you through your introducing firm, you should also consult your introducing firm’s separate Client Relationship Summary for more information about your introducing firm’s services.

Investment Discretion
Depending on the program and services you select, we will provide you with investment recommendations, and you will make the ultimate decision regarding your investments and approve each transaction (“non-discretionary advice”), or you grant us authority to make investment decisions on your behalf without your pre-approval, based on information provided by you (“discretionary advice”). You may also hire a third-party or RBC-affiliated investment manager to provide discretionary advice to you through our programs, or we can choose one for you. The terms and limits of our discretionary authority are described in your advisory agreement with us.

Monitoring
We monitor your advisory account for you as part of our advisory services in accordance with the terms of your advisory agreement with us. Our financial planning services are limited to preparation of a financial plan based on the information that you provide, and do not include ongoing monitoring. The frequency and limitations of our account monitoring depend on the advisory program that you select.

Account Minimums
You must meet certain account minimums to open an advisory account.

More information about our investment advisory services and current account minimums for advisory programs are described in our “Advisory Disclosure Documents” (Form ADV, Part 2A brochures), which are available at rbcwm.com/disclosures.

Additional Information About Our Services
Please see our “Advisory Disclosure Documents” which are available at rbcwm.com/disclosures, and, for our brokerage services, our “Brokerage Disclosure Document” and other applicable documents, also available at that website.

Conversation Starters: Questions you may want to ask your financial advisor
- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

WHAT FEES WILL I PAY?

Brokerage Services
For our brokerage services, the primary fees you pay are “transaction-based” fees. These fees are typically called “commissions,” “sales charges,” “loads,” “selling concessions,” or “trails.” These fees vary depending on the investment product you select, the capacity in which we act, and the size of your transaction, and can be charged up-front when you purchase or sell the investment, or on an ongoing basis for as long as you hold the investment (“trails”). If we purchase a security from you or sell a security to you from our own account (as “principal”), rather than acting as your agent to purchase or sell a security from a third party, we are paid by marking the price up or down and retain that difference, which is a benefit to us. Because we are compensated for these transactions, we have a conflict of interest to encourage you to invest in products that pay us greater compensation than those that pay us less, to trade more frequently and in greater volume, and to trade with us as principal because we generally receive more revenue when you do so. In addition, we, and your FA, have an incentive to recommend that you open, or transfer assets to, a brokerage account instead of an advisory account when you trade so frequently or in such volume that we’d receive more revenue than if you invested through an advisory account.

Description of Other Fees and Costs
In addition to the foregoing fees, you will pay, and we will receive, certain fees associated with your brokerage account, including fees for account maintenance and custody, as well as costs for certain services that you select, such as wire transfer fees or RBC Express Credit (margin) interest, and a termination or transfer fee when you instruct us to close your account or transfer your account to another broker-dealer. More information about the fees and costs for our brokerage services is included in our “Brokerage Disclosure Document”, which is available at rbcwm.com/disclosures. The fees and costs you pay for specific securities transactions are disclosed to you on the confirmation statement you receive after your transaction is executed. The total costs you incur (and compensation we earn) in connection with your brokerage accounts will primarily depend on your investment mix and how frequently you trade.
Investment Advisory

For our investment advisory services, you pay a fee (the “Program Fee”) for the program you select. The Program Fee is a “wrap fee”, meaning that, in addition to the discretionary or non-discretionary investment advisory services that RBC WM provides in connection with the investment advisory program you select, the Program Fee includes certain trade execution, custody, and other brokerage services as part of that fee. Program Fees are typically “asset-based” meaning that they are calculated as a percentage of the assets invested in your advisory account according to the fee schedule in your advisory agreement with us. This means that the more assets you maintain in your account, the more you will pay in fees, and therefore, we, and your FA, have an incentive to encourage you to increase your advisory account assets. In addition, we generally earn more compensation when you invest with us through an advisory account instead of a brokerage account, particularly if you trade infrequently or purchase investments that would pay us lower commissions and other compensation if purchased through a brokerage account. This creates an incentive for us, and your FA, to recommend that you open, or transfer assets to, an advisory account instead of a brokerage account. More information about Program Fees is available in our “Advisory Disclosure Documents”, which are available at rbcwm.com/disclosures.

Because the Program Fee includes most transaction and custody costs, it will be higher than an asset-based advisory fee that does not include transaction costs and fees. The Program Fee presents a conflict because it creates an incentive for us to not trade in your account since transaction costs are included in the Program Fee. As a part of the Program Fee, depending on the program you select, we may charge a fee for our services as an overlay manager and any investment manager fees. Also, if a third-party manager elects to trade away from us you will pay additional transaction fees for those trades. Our financial planning services are available for a fixed fee and are not subject to a wrap fee.

More information about our advisory programs and Program Fees is available in our “Advisory Disclosure Documents” which are available at rbcwm.com/disclosures.

Description of Other Fees and Costs

In addition to the fees described above, we assess certain fees associated with your advisory account, such as account termination fees, and account transfer or liquidation fees, depending on the advisory program. For additional information, please see your Client Account Agreement, or your Customer’s Agreement if we provide services to you through your introducing broker, and our “Advisory Disclosure Documents” and other applicable documents which are available at rbcwm.com/disclosures. The fees and costs you pay for investment advisory services are disclosed to you on the account statements you receive each quarter. The total costs you incur (and compensation we earn) in connection with your advisory accounts will primarily depend on the assets in your advisory account and the Program Fee rate.

Additional Information About Fees and Costs

Please see our “Advisory Disclosure Documents”, our “Brokerage Disclosure Document”, and other applicable documents which are available at rbcwm.com/disclosures. For clients of RBC Wealth our RBC Wealth Management division, you can also access our “Schedule of Fees” at that site. If you receive services through your introducing broker, please see your agreements with your introducing broker and us for information about account fees that apply to you. With respect to both broker-dealer and advisory services, you will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Certain investments, such as mutual funds, ETPs, UITs, annuities, and 529 College Savings Plans (“529 Plans”), bear ongoing costs that you pay indirectly because they are factored into the cost of the investment and are in addition to our brokerage and advisory fees. In addition, these types of investments may charge surrender or early termination fees if you sell your investments early. For more information regarding these expenses, please refer to the prospectus or offering documents for your investment.

Conversation Starter:
Question you may want to ask your financial advisor
Help me understand how these fees and costs might affect my investments. If I give you $10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER OR WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide to you. Here are some examples to help you understand what this means.

Examples of Ways We Make Money and Conflicts of Interest

Proprietary Products

RBC WM and its affiliates earn higher fees, compensation, and other benefits when you invest in or utilize a product that we (or one of our affiliates) advise, make available, manage, sponsor, or underwrite such as a mutual fund or structured product. As such, we have an incentive to recommend (or to invest your assets in) these products over third-party products. Certain fees are offset in advisory retirement accounts for proprietary and affiliated mutual fund holdings. For more information see our “Advisory Disclosure Documents” which are available at rbcwm.com/disclosures.

Third-Party Payments

RBC WM receives payments from third parties (or their affiliates) when we sell certain products. As such, RBC WM has an incentive to recommend (or to invest your assets in) products of third parties that pay us over products of third parties that do not pay us or pay us less.

Revenue Sharing

Certain managers and sponsors (or their affiliates) share the revenue they earn when you invest in certain of their investment products (primarily mutual funds and variable annuities) with RBC WM. As such, RBC WM has an incentive to recommend (or to invest your assets in) products of sponsors and fund managers that share their revenue with us, over other products of sponsors or fund managers that do not or who share less.

Principal Trading

When we provide brokerage services, we may buy from or sell securities to you from our own inventory. Because we earn compensation (such as mark-ups, mark-downs, and spreads) and can...
receive other benefits in principal transactions, we have an incentive to trade with you on a principal basis and to recommend securities that we hold in inventory. We do not trade as principal in connection with our advisory services except where permitted by law following strict guidelines.

**Sweep Programs**

Our sweep programs for otherwise uninvested cash create a conflict of interest for us because we have an incentive for you to maintain and direct otherwise uninvested cash in your account to deposits of our affiliated banks, where they can use such deposits to generate additional revenue. We also receive revenue for your cash deposits directed to third-party banks or our affiliates through our sweep programs. This creates an incentive for us to recommend or direct investments that result in cash being invested through our sweep programs. Please see “RBC Cash Plus” and “RBC Insured Deposits” which are available at rbcwm.com/disclosures.

**Additional Information About Conflicts of Interest**

*Please see our “Advisory Disclosure Documents” which are available at rbcwm.com/disclosures, and, for our brokerage services, our “Brokerage Disclosure Document” and other applicable documents, also available at that website.*

**Conversation Starter:**

*How might your conflicts of interest affect me and how will you address them?*

**DO YOU OR YOUR FINANCIAL ADVISORS HAVE LEGAL OR DISCIPLINARY HISTORY?**

Yes, we and some of our FAs have legal or disciplinary histories. Please visit Investor.gov/CRS for a free and simple search tool to research us and our FAs. You may research your FA’s experience and licenses on FINRA’s BrokerCheck website at brokercheck.finra.org.

**Conversation Starter:**

*As a financial advisor, do you have any disciplinary history? For what type of conduct?*

**ADDITIONAL INFORMATION**

For additional information about our brokerage services, our investment advisory services, or to obtain an updated copy of this Client Relationship Summary, please visit our website at rbcwm.com/disclosures. You may also request up-to-date information and request a copy of this Client Relationship Summary by calling us at (800) 759–4029 or by contacting us in writing at RBC Wealth Management, Attn: Client Support Services, 60 South Sixth Street P12, Minneapolis, MN 55402.

**Conversation Starter:**

*Who is my primary contact person? Is that primary contact person a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*