

City National Referral Disclosure Statement

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FOR YOUR RECORDS



Wealth
Management

RBC Wealth Management is providing this disclosure to you, our client ("Client"), to advise of the following:

- City National Bank, a national banking association with its main office in Los Angeles, California, and its subsidiaries¹ ("CNB"), has entered into a written referral arrangement agreement ("Agreement") with RBC Wealth Management, a division of RBC Capital Markets, LLC (the "Referring Party").
- The Referring Party is registered with the Securities and Exchange Commission ("SEC") as both a broker-dealer and an investment adviser providing services, including, without limitation, brokerage, discretionary investment management and non-discretionary advisory products and services. CNB offers a broad range of banking products and services ("Banking Services"). An employee of the Referring Party may refer the Client to CNB because the Client's circumstances reflect a need for Banking Services. This referral is made only with respect to assets of the Client not subject to the prohibited transactions provisions of the Employee Retirement Income Security Act of 1974 or the Internal Revenue Code of 1986, as amended. This means that the Referring Party will not receive any referral fees when assets held in an ERISA or IRA advisory account managed by the Referring Party are directly used for the purchase of Banking Services.
- Under the terms of the Agreement, CNB may pay a referral fee ("Referral Fee") to the Referring Party with respect to referrals for Banking Services; provided, however, that CNB will not pay a Referral Fee or provide any other thing of value to the Referring Party in connection with the referral of a federally-related mortgage loan to be secured by residential real property.
- To the extent permitted by applicable law, the Referring Party shares a portion of a certain Referral Fee that it receives from CNB to individual representatives of the Referring Party, including the individual who referred you to CNB.
- Please be advised that the payment of any such Referral Fee will not increase the fees you pay for the Banking Services or for the services you receive from the Referring Party.
- CNB may not be the lowest cost Banking Services provider which the Referring Party could refer you. Referring Party's receipt of the Referral Fee creates a conflict of interest because it incentivizes the Referring Party to promote Banking Services provided by CNB to both you and your financial advisor. Also, the Referring Party compensates your financial advisor for successful referrals to CNB and this creates a conflict of interest because it provides an incentive for your financial advisor to refer you to CNB as opposed to those affiliates and third parties that do not pay for such referrals. Additional conflicts of interest may be perceived to arise from the above noted referral arrangement. Therefore, CNB and the Referring Party have adopted policies and procedures to assist in identification and management of potential conflicts of interest.
- CNB and RBC Capital Markets, LLC are each indirectly wholly-owned subsidiaries of Royal Bank of Canada.

ADDITIONAL INFORMATION

Please see the RBC Wealth Management "Client Relationship Summary," "Brokerage Disclosure Document," and "RBC Wealth Management Advisory Programs Disclosure Document" for additional information about its brokerage services and investment advisory services at its website: www.rbcwm.com/disclosures.

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.

¹ Subsidiaries covered by the referral arrangement include First American Commercial Bancorp, Inc., doing business as First American Equipment Finance, City National Bank, a national banking association, and RBC Trust Company (Delaware) Limited but others may be added from time to time.