



# Introducing RBC Correspondent Services

A committed, responsible custodian for your assets

## What is RBC Correspondent Services?

RBC Correspondent Services (RBC CS) is a division of RBC Capital Markets, LLC, a wholly owned subsidiary of Royal Bank of Canada (RBC) (NYSE and TSX: RY).<sup>1</sup> RBC employs approximately 84,000 full- and part-time employees who serve more than 16 million personal, business, public sector and institutional clients worldwide—making it a respected global leader in diversified financial services. Its financial strength, sound risk management policies, strong balance sheet, diversified business mix, and performance relative to its peers has been, and should be a source of confidence for you. We are part of RBC's U.S. Wealth Management business, which has a rich hundred-year history of serving the sophisticated wealth management needs of the world's leading families. Delivering our world-class wealth management solutions and custodial services to broker-dealers is an important strategic priority to RBC.

## What are RBC's credit ratings?

RBC's senior long-term debt credit ratings are strong, including the A2 rating from Moody's Investors Services, the A rating from Standard and Poor's and AA (stable) ratings from Fitch and DBRS.

## What is RBC's standing amongst its peers in global financial services?

RBC is one of the top 15 banks in the world, as measured by market capitalization.<sup>2</sup> RBC was named "Best Private Bank in Canada" for the seventh consecutive year in the 2018 Global Private Banking Awards, and was also recognized as one of the World's Safest Banks in 2018 by Global Finance.<sup>3</sup> In addition, RBC has been named to the 2018 Dow Jones Sustainability World Index for the 13th consecutive year since the index was launched back in 2005. The Index recognizes the world's financial, social and environmental corporate leaders.

## How will RBC Correspondent Services protect my assets as a custodian?

In addition to RBC CS's proven commitment to responsible stewardship,<sup>4</sup> we comply with Securities and Exchange commission requirements to maintain certain capital requirements,<sup>5</sup> as well as to keep client assets separated from our assets and the assets of others (unless you have signed a margin agreement).<sup>6</sup>

Since RBC Capital Markets, LLC, is a member of Securities Investor Protection Corporation—a nonprofit corporation funded by member securities broker-dealers—you are eligible for SIPC insurance protection. In the event of

a catastrophic loss of RBC CM's firm capital, SIPC reserve funds would be available to satisfy claims against the firm, up to \$500,000 per client, including up to \$250,000 in cash.<sup>7</sup>

Beyond SIPC insurance, RBC carries additional insurance through Lloyd's of London. The policy provides additional securities and cash protection up to \$99.5 million per SIPC qualified account (of which \$900,000 may be cash). The firm's excess SIPC policy is subject to a maximum aggregate amount payable of \$400 million.

Investment type	Securities and cash
SIPC coverage	\$500,000 (maximum \$250,000 cash)
Excess SIPC coverage*	\$99,500,000 (maximum \$900,000 cash)
Total coverage	\$100,000,000 (maximum of \$1,150,000 cash)

\*Subject to a \$400,000,000 cap, which would be distributed on a pro-rated basis across all losses by clients of RBC.

## What are my next steps?

We are looking forward to both earning your trust and establishing a long-term relationship with you and your family. For more information about the strength and stability of RBC, visit the corporate profile and investor relations sections of [www.rbc.com](http://www.rbc.com).

1. Royal Bank of Canada and RBC Capital Markets, LLC carry separate balance sheets and are responsible for separate debts. Royal Bank of Canada does not guarantee any debt or liabilities of RBC CS.
2. Source: RBC at a Glance Q1 2019.
3. Dow Jones Sustainability World Index; <http://www.rbcwm-usa.com/resources/file-686819.pdf>
4. RBC CS shares RBC's conservative, client-focused values. For example, as a result of RBC's commitment to responsible stewardship, RBC did not receive any TARP funding during the recent financial markets credit and liquidity crisis.
5. SEC minimum capital requirements are maintained to reimburse clients, should securities be damaged or misplaced.
6. SEC securities segregation requirements are maintained to so they may be readily identified and returned to you.
7. SIPC insurance does not protect you from a decline in securities value. For more information about SIPC, visit [www.sipc.org](http://www.sipc.org).

RBC Correspondent Services, a division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC, may provide clearing and execution services for your Broker-Dealer. The referenced product and/or service is made available through that relationship.