

**RBC Funds (Lux)**  
**Société d'Investissement à Capital Variable**  
**14, Porte de France**  
**L-4360 Esch-sur-Alzette**  
**R.C.S. Luxembourg B.148.411**

**Notice to the Shareholders of the RBC Funds (Lux)**  
(the "Fund")

Dear Shareholder:

The board of directors of the Fund (the "**Board of Directors**") is writing to inform you of a number of changes it is making to the Fund and its prospectus (the "**Prospectus**").

- Section "**2. Management and Administration**" of the Prospectus has been amended as to reflect several changes described as follows:
  - Mr. Anthony Malloy has replaced Mr. Christopher O. Blunt at the board of directors of the Management Company; and
  - Mr. Frank Lipa has resigned from the Board of Directors of the Fund.
- Sections "**4.1 Subscription for Shares**", "**4.3 Conversion of Shares**", and "**4.4 Redemption of Shares**" of the Prospectus have been amended as to reflect the change of dealing cycle effective 1 April 2017 and previously announced in March 2017.
- Section "**5.5 Determination of the Net Asset Value of Shares**" of the Prospectus was amended in April 2017 to reflect the application of a swing pricing mechanism for all Bond and Equity Sub-Funds of the Fund with the exception of the Allocation Sub-Funds effective 1 September 2017. A clarification has been included in the current wording for Bond Sub-Funds stating that "the bid-ask method is used when the swing threshold is triggered. Each bond is priced at either bid or ask prices instead of mid prices".
- Sections "**5.11.2. Complaints handling**" and "**5.11.3 Best Execution**" have been amended to reflect that Shareholders should note that they may now obtain the complaints handling policy and the best execution policy applicable to the Fund at the registered office of the management company of the Fund in addition of having these documents being available at the registered office of the Fund.
- Section "**5.14 Confidentiality, Data Processing and Professional Secrecy**" has been amended to reflect the application of Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "General Data Protection Regulation") which shall apply to the collection, processing and transfer of Shareholders' personal data.
- Section "**6.4 Depositary Bank and Paying Agent, Administrative and Domiciliary Agent, Registrar and Transfer Agent**" of the Prospectus has been amended as to reflect the increase of equity capital of RBC Investor Services Bank S.A. from EUR 983,781,177 (as of 31 October 2015) to EUR 1,120,326,088 (as of 31 October 2017).
- Section "**7.8 Soft Commission Arrangements**" of the Prospectus has been amended as per the requirements of the Directive 2014/65/EU of the European Parliament and Council of 15 May 2014 on markets in financial instruments (the MiFID II Directive) in respect of the Sub-Funds managed by RBC Global Asset Management (UK) Limited where effective 1 January 2018, the latter pays for all research goods and services directly and does not use soft commission arrangements.
- Section "**9.1 Investment Restrictions**" of the Prospectus has been amended in compliance with the CSSF administrative practice regarding the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse ("**SFTR**") to reflect that at the date of the Prospectus, none of the Sub-Funds has entered into (i) repurchase or reverse repurchase agreements, (ii) securities or commodities lending and securities and commodities borrowings (iii) buy-sell back transactions or sell-buy back transactions (iv) margin lending transactions and (v) total return swaps as covered by SFTR. Should the Sub-Funds of the Fund use any of these techniques, the Prospectus shall be updated accordingly.

- Section “**9.3 Collateral Management**” of the Prospectus has also been amended with respect to the Sub-Funds of the Fund receiving collateral and the requirements of the ESMA guidelines in relation thereto, to clarify that at present collateral received by the Fund consists of cash and government bonds, and to clarify the Fund’s haircut policy.
- “**Appendix 1 – The Equity Sub-Funds**” has been amended as follows with respect to:
  - the RBC Funds (Lux) – Global Equity Focus Fund: the investment policy now states, for clarification purposes, that environmental, social and governance (“ESG”) factors are integral to the bottom up assessment of each company’s long-term prospects in which the Sub-Fund invests;
  - the RBC Funds (Lux) – European Equity Focus Fund: the Prospectus has been amended to reflect the reduction of the management fees effective 1 September 2017 in respect of each of Class A, Class B and Class O Shares of the Sub-Fund thereby reducing the respective total expense ratio and previously announced in July 2017;
  - the RBC Funds (Lux) – Canadian Equity Value Fund: the Prospectus has been amended to reflect the reduction of the management fees effective 1 January 2018 in respect of each of Class A, Class B and Class O Shares of the Sub-Fund, thereby reducing the respective total expense ratio cap and previously announced in December 2017;
  - the RBC Funds (Lux) – U.S. Mid Cap Value Equity Fund: as the Sub-Fund has been put into liquidation as of 10 January 2018, all references thereto have been removed from the Prospectus;
  - the RBC Funds (Lux) – Emerging Markets Value Equity Fund, the RBC Funds (Lux) – Emerging Markets Equity Fund, and the RBC Funds (Lux) – Emerging Markets Small Cap Equity Fund: it is intended that the Sub-Funds’ investment exposure to the PRC through Stock Connect would reflect the benchmark weight of China A shares in the MSCI Emerging Markets Index (USD) or MSCI Emerging Markets Small Cap Index (USD), as applicable, but in any event will not exceed 25% of each Sub-Fund’s net assets; and
  - the RBC Funds (Lux) – Emerging Markets Multi-Strategy Equity Fund: this is a new Sub-Fund which characteristics are more fully described in the Prospectus.
- The “**Appendix 2 – The Bond Sub-Funds**” has been amended as follows with respect to:
  - the RBC Funds (Lux) – U.S. Ultra Short Fixed Income Fund: this is a new Sub-Fund which characteristics are more fully described in the Prospectus.
- Minor amendments to the Prospectus have been made for consistency purposes.

The above changes will be reflected in an updated Prospectus dated June 2018.

The updated Prospectus is available at the registered office of the Fund and online at [www.rbcgam.lu](http://www.rbcgam.lu).

Capitalised terms used in this notice shall have the same meaning ascribed to them in the Prospectus unless the context otherwise requires.

Should you have any questions in relation to the above, please contact the Fund at the address above.

Yours faithfully,

Luxembourg, 26 June 2018

The Board of Directors of RBC Funds (Lux)