

Client relationship summary



January 25, 2024

RBC Private Counsel (USA) Inc. (we, us or PC USA) is registered as an investment adviser with the U.S. Securities and Exchange Commission (SEC). Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. To help you understand these differences, free and simple tools are available for you to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

This disclosure is provided to comply with the SEC's Form CRS disclosure requirements. It includes information about our services, fees and costs. This disclosure does not create or modify any agreement, relationship, or obligation between you and RBC Private Counsel (USA) Inc. (or its financial professionals). Please consult your agreements with RBC Private Counsel (USA) Inc. for all terms and conditions governing your account and relationship with us.

Please retain a copy of this document for your records.

What investment services and advice can you provide me?

Investment advisory services

We principally provide discretionary investment advisory services for a fee through two offerings – Wrap Fee Programs and Individually Managed Accounts program (IMA Program). Our Wrap Fee Programs are exclusively available through our affiliates, RBC Dominion Securities Inc. and RBC Dominion Securities Global Limited. Our IMA Program is exclusively available through our affiliate, RBC Phillips, Hager & North Investment Counsel Inc. More information about our investment advisory services is available on our Form ADV Part 2A Brochures (our Brochures), which are available as follows.

Client Brochure (Individually Managed Accounts)

ca.rbcwealthmanagement.com/documents/10180/0/client-brochure-pcusa-ima.pdf

Wrap Fee Brochure (A+ Program, Access Manager Selection Program, Private Investment Management Program)

ca.rbcwealthmanagement.com/documents/10180/0/wrap-brochure-pcusa-pim.pdf

Wrap Fee Brochure (Advisor Program)

ca.rbcwealthmanagement.com/documents/10180/0/wrap-brochure-pcusa-advisor.pdf

- **Investment discretion:** You grant us ongoing authority to select affiliated and/or third-party managers or buy and sell securities in your account (consistent with your investment objectives and IPS) without asking for your consent in advance on a trade-by-trade basis (also known as discretion). In exceptional circumstances, you will not provide authority for us to exercise discretion and you will make the ultimate decision regarding the purchase or sale of investments.
- **Limits on investment advice:** Our product offering depends on the program, account type and size, and include affiliated and third-party sub-advisors. Not all of our financial professionals can offer all of our investment advisory services. Please refer to our Brochures or ask your financial professional about any limitations.
- **Account monitoring:** We monitor your account on an ongoing basis as part of our investment advisory services. The frequency and limitations of this account monitoring depend on the account type that you select, investment objectives and Investment Policy Statement (IPS). Refer to our Brochures for more information.
- **Account minimums:** You must meet and maintain certain account minimums to open an account with us. Current account minimums for each type of account are described in our Brochures.

For additional information, please refer to our Brochures.

Conversation starter: Questions you may want to ask your financial professional

Given my financial situation, should I choose an investment advisory service? 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?

Wrap Fee Programs: You pay an investment management fee which includes discretionary investment management services, trading and custody of assets. The investment management fee is “asset based” and calculated as a percentage of the market value of assets held in your account, based on your fee schedule and are charged in advance or arrears depending on the program. This means that the more assets you maintain in your account, the more you will pay in fees, and therefore we, and your financial professional, have an incentive to encourage you to increase your account assets. Certain other fees associated with the operation of your account such as administration fees, may apply, in accordance with the terms of the Client Account Agreement. For fixed income trades only, our affiliate may charge you a customary institutional trade mark-up when acting as principal (i.e. buy securities from you or sell securities to you from the affiliate's account).

IMA Program: You pay an investment management fee which includes portfolio management, reporting and administration services but excludes custodial services or trading, which are separately charged to your account. The investment management fee is “asset based” and calculated as a percentage of the market value of assets held in your account. This means that the more assets you maintain in your account, the more you will pay in fees, and therefore we, and your financial professional, have an incentive to encourage you to increase your account assets. Additional fees may apply if you hold certain specialty assets in your account. Additional information about fees, including fees that may be charged in addition to your investment management fee is available in our Client Brochure.

Frequency and payment of fees: You will compensate us for investment management services monthly or quarterly, depending on the program type.

Additional information: You pay fees and costs whether you make or lose money on your investments. Fees and costs reduce the amount of money you make on your investments over time. The program you choose may cost more or less than another program we offer based on the amount of assets invested and the types of products offered. The fees for a program could be more than a typical asset based advisory fee. Please make sure you understand what fees and costs you are paying.

Conversation starter: Questions you may want to ask your financial professional

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 acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment advisor, 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 investment advice we provide to you.

Example of ways we make money and conflicts of interest

- For a description of the conflict of interest arising from our “assetbased” fee methodology, see “What Fees Will I Pay?” of this disclosure.
- For a description of the conflict of interest arising from principal trading in fixed income, see “What fees will I pay? – Wrap Fee Programs” of this disclosure.

Please refer to our Brochures for additional information.

Conversation starter: Questions you may want to ask your financial professional

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

How do your financial professionals make money?

For the Wrap Fee Program, a financial professional is generally compensated based on the financial professional's total production level, which takes into account all of the investment management fees paid to RBC Private Counsel (USA) Inc. by the clients for which the financial professional is responsible. For the IMA program, a financial professional will receive a portion of the investment management fee you pay to RBC Private Counsel (USA) Inc.

As asset levels increase, the amount of fees you pay to RBC Private Counsel (USA) Inc. increases. Accordingly, the compensation paid by RBC Private Counsel (USA) Inc. to the client's financial professional generally increases with greater asset levels.

Financial professionals may also be eligible for incentive compensation, bonuses and qualify for certain rewards trips and awards based upon factors including the amount of the financial professional's production level and adherence to firm policies.

For a description of the conflict of interest arising from our “asset based” fee methodology, see “What Fees Will I Pay?” of this disclosure.

Do you or your financial professionals have legal or disciplinary history?

Yes, certain of our financial professionals have legal or disciplinary history, however, our firm does not. Refer to Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation starter: Questions you may want to ask your financial professional

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

Additional information: For additional information about our investment advisory services you may request up-to-date information and request a copy of this Form CRS Customer Relationship Summary by calling us at 416-955-2214 or by contacting us in writing at RBC Private Counsel (USA) Inc., 155 Wellington Street West, 17th Floor, Toronto, ON, M5V 3K7, CANADA.

Conversation starter: Questions you may want to ask your financial professional

Who is my primary contact person? Are they 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?