



RBC Global
Asset Management



The Access Capital Investment Strategy

A Disciplined Fixed Income Approach to Community Investing

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Why Impact Investing?

We believe in making a difference

We present investors with excellent opportunities to help **build stronger communities** through fixed income investments offering **safety, liquidity, and competitive returns**. Tailoring a portfolio of these high-quality securities to the specific needs and values of an investor provides the potential to **achieve desirable financial outcomes** and facilitates the allocation of capital to **targeted communities**.

Broad SRI Approaches

- **Negative screening (prohibited countries, industries, practices)**
- **ESG (environmental, social and governance practices considered)**
- **Impact Investing (proactive community development, ETI, climate change, mission related)**

Impact Investment Sectors

- **Venture Capital**
- **Private Equity**
- **Real Estate**
- **Fixed Income**

Fixed Income Impact Investment Asset Owners

- Banks
- Foundations and Endowments
- Insurance Companies
- Public Pension Plans
- State and Municipal Reserve Accounts
- Family Offices and High Net Worth Individuals



Fixed Income Investment Needs

- **High Quality**
- **High Liquidity**
- **Market-Based Risk-Adjusted Return**
- **Scalability for Portfolio Size**

Fixed Income Impact Benefits

- Homeownership and Rental Housing
- Healthcare and Education
- Small Business and Job Creation
- Local Infrastructure



High Quality Fixed Income Impact Securities

- **Customized Agency MBS**
- **Agency CMBS (GNMA project loans, FNMA DUS Bonds, SBA, USDA and other U.S. guaranteed loans)**
- **Taxable Municipals (BABS, Housing, Education, Healthcare, Infrastructure)**

Fixed Income Impact Investment Portfolio Construction

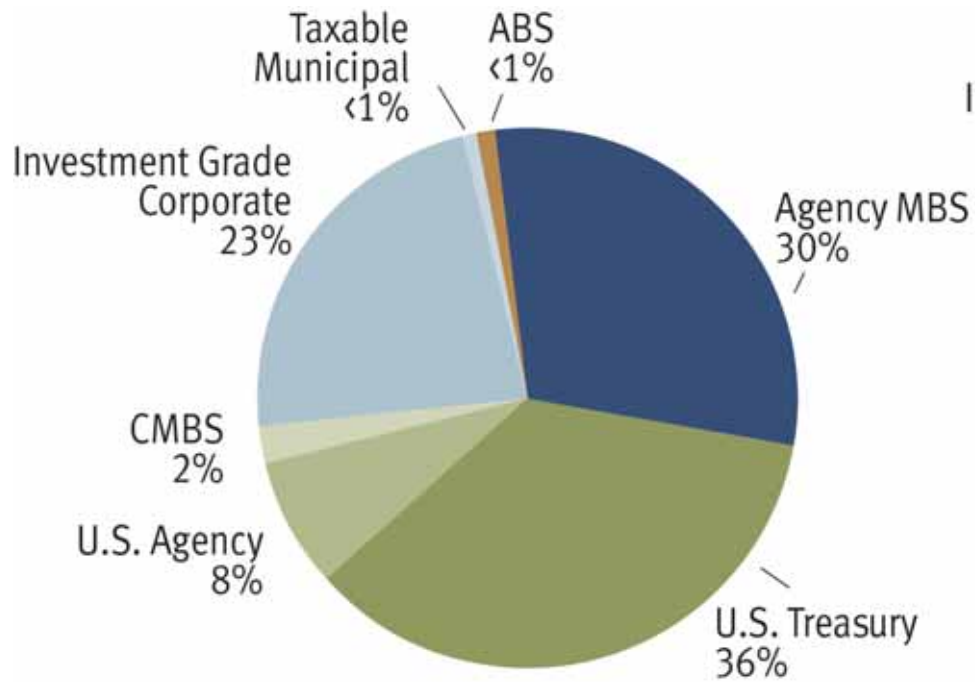
Replace:

- Generic Agency MBS with Customized Impact Agency MBS
- Treasuries, Agencies and CMBS with Impact Agency CMBS
- Corporates with Impact Taxable Municipals

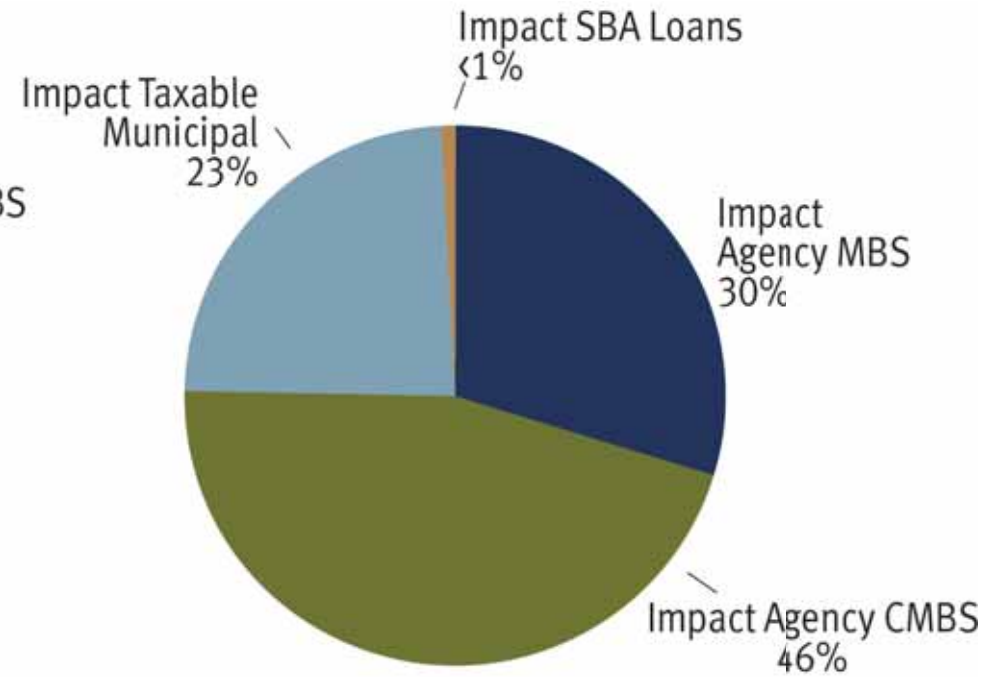


Sample Fixed Income Impact Investment Portfolio

Barclays U.S. Aggregate Bond Index



Sample Impact Portfolio



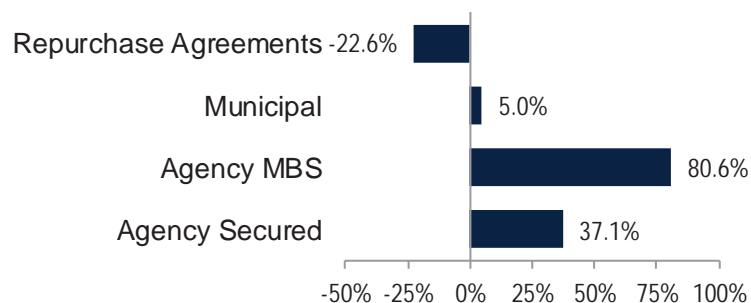
Source: Barclays as of 12.31.13

Potential Impact Portfolio Characteristics

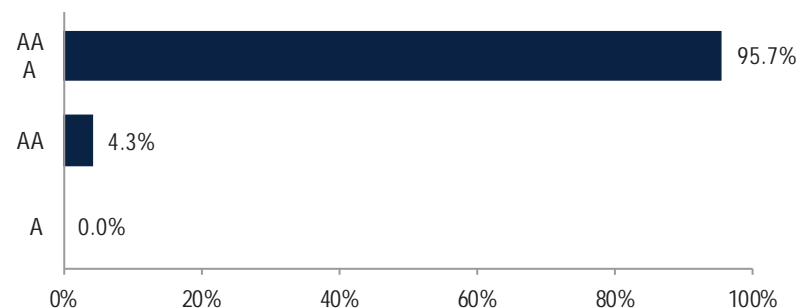
- **Higher Quality Bias**
- **Highly Liquid and Transparent**
- **Stable Cash Flow Profile**
- **Strong Performance in Distressed Periods**
- **Higher Degree of Tracking Error**

Tailored Portfolio

Sector Distribution



Credit Distribution



	RBC GAM Impact Strategy	Barclays U.S. Aggregate Bond Index
Characteristics	Community Investment Portfolio	Broad Market
Effective Duration	4.05 years	5.29 years
Yield to Maturity	2.50%	2.02%
Average Maturity	5.09 years	7.10 years
Average Quality	AAA	AA
Convexity	-1.83	-0.06
Treasury OAS	+71 bps	+31 bps

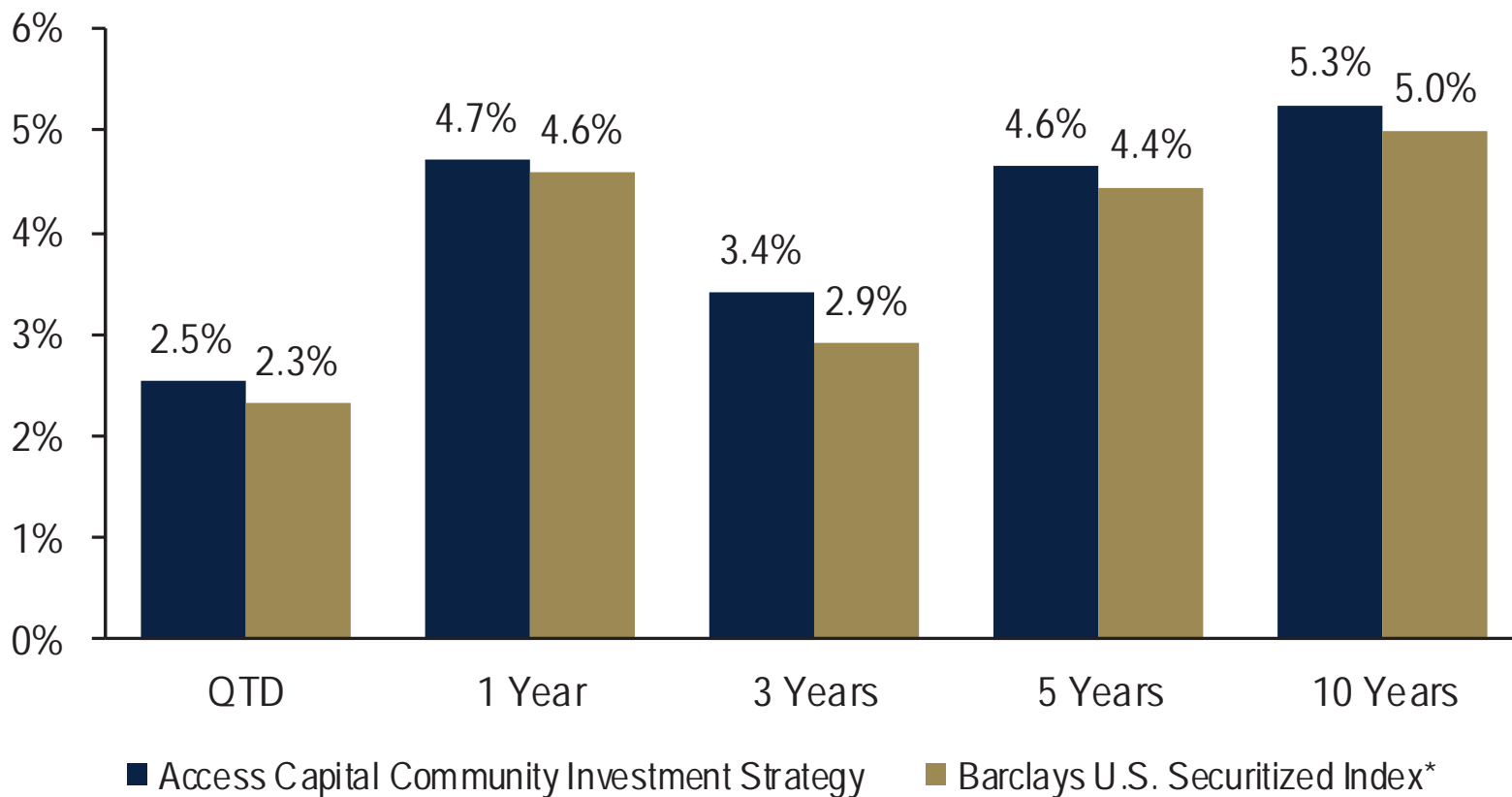
As of 6.30.14 Source: Citigroup Yield Book

Sector and Credit Distribution charts are based on a representative account. Such data may vary for each client in the strategy and is subject to change. The representative account is the account in the composite that RBC GAM-US believes most closely reflects the current portfolio management style for this strategy. Credit distribution is based upon the average of the current ratings assigned to each security in the portfolio by Moody's, Standard and Poor's and Fitch. If any agency does not provide a rating, an average of the agencies providing a rating is used. If there are no ratings for a security it will be listed as Not Rated (NR).

*OAS (Option-Adjusted Spread): The price of an option compared to the spot rate of Treasuries; methodology using option pricing techniques to value the imbedded options risk component of a bond's total spread. Imbedded options are call, put or sink features of bonds. Information presented above represents the Access Capital Community Investment Strategy. This information is for illustrative purposes only to highlight the various spreads for various types of fixed income investments that may appear within this investment strategy as of a specific date. It does not represent any specific security and these spreads will vary depending on interest rate and changes within the overall market.

Impact Strategy Performance

Trailing Periods as of June 30, 2014



As of 6.30.14.14

*The benchmark was changed on 7.1.08 from a blend of 80% Merrill Lynch Mortgage Index/20% Merrill Lynch U.S. Treasury Index to Barclays U.S. Securitized Index to more accurately reflect the strategy. Presented returns link the Barclays U.S. Securitized Index returns after 7.1.08 to the previous benchmark prior to that date.

Returns are presented gross of management fees and include the reinvestment of all income. All returns for periods greater than one year are shown on an annualized basis. Inception of the performance record is June 30, 1998. This information is presented as supplemental to the "Performance Presentation & Disclosures" in the appendix. The appendix contains additional GIPS®-required disclosures and important information regarding calculation of performance data and includes net of fees performance returns. Past performance is not a guarantee of future results.

Performance Presentation & Disclosures Appendix

Access Capital Community Investment Strategy as of June 30, 2014

Annualized Returns

Composite and/or Benchmark	QTD	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
Composite - Gross of Fees	2.54	4.16	4.71	3.42	4.65	5.53	5.25
Composite - Net of Fees	2.44	3.95	4.29	2.92	4.10	4.91	4.57
Access Community Investing Benchmark	2.32	3.91	4.59	2.91	4.44	5.37	5.00

Annual Returns

Year	Composite Return Gross of Fees	Composite Return Net of Fees	Benchmark Return	# of Portfolios	Composite Dispersion	Composite 3-Year Standard Deviation	Benchmark 3-Year Standard Deviation	Composite Assets (millions)	Total Firm Assets (millions)
2004	5.92	5.02	4.45	1	N/A	3.95	3.01	377.4	112,979.5
2005	2.80	1.99	2.48	1	N/A	3.82	2.82	452.8	135,371.2
2006	5.38	4.57	5.23	1	N/A	2.96	2.57	462.1	158,983.2
2007	6.39	5.47	7.28	1	N/A	2.60	2.46	506.9	207,926.9
2008	4.40	3.63	5.33	2	1.31	2.93	3.25	632.2	164,090.1
2009	10.35	9.63	7.78	2	0.61	2.81	3.31	678.7	228,136.6
2010	5.53	4.93	6.52	4	0.09	2.81	3.21	669.6	252,397.6
2011	6.17	5.57	6.22	2	0.40	1.96	2.12	693.9	244,798.5
2012	4.34	3.78	3.01	2	0.16	1.56	1.64	751.3	281,099.0
2013	-1.27	-1.66	-1.31	3	N/A	1.98	2.00	770.3	299,485.2
YTD 2014	4.16	3.95	3.91	3	0.18	2.13	2.13	844.9	323,312.1

(Performance Presentation and Disclosures continued on the next page)

Performance Presentation & Disclosures Appendix

Access Capital Community Investment Strategy as of June 30, 2014

Description of the Firm: For the purposes of Global Investment Performance Standards (GIPS), RBC Global Asset Management is the asset management division of Royal Bank of Canada (RBC), operating under the following brands: RBC Global Asset Management (RBC GAM) in Canada, the U.S. (institutional), the U.K. and Hong Kong; Phillips, Hager & North Investment Management (institutional); and BlueBay Asset Management (institutional). With offices around the world, RBC GAM offers a full range of global investment solutions in cash management and fixed income, equity, balanced, alternative and specialty investment strategies through mutual funds, hedge funds, pooled funds and separately managed accounts. The RBC GAM group of companies has more than C\$318 billion (US\$299 billion) in assets under management as at December 31, 2013. RBC purchased Phillips, Hager & North Investment Management, including the assets of BonaVista Asset Management, on May 1, 2008, and BlueBay Asset Management on December 17, 2010. A complete list and description of the firm's composites and performance results is available upon request.

3 Year Standard Deviation: Periods with less than 3 years of data will show "N/A".

Compliance Statement: RBC GAM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. RBC GAM has been independently verified for the periods January 1, 2002 through December 31, 2013.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Access Capital Community Investing Strategy composite has been examined for the periods January 1, 2002 - December 31, 2013. The verification report(s) is/are available upon request.

Composite Description: The Access Capital Community Investment Strategy Composite consists of accounts that invest in a strategy of economically targeted investments (ETI) with a community development focus. Portfolios in the composite may be invested in municipal securities not included in the benchmark.

Benchmark: The Access Community Investing benchmark consists of the Barclays U.S. Securitized Index, which is an unmanaged index that tracks the performance of the residential mortgage, commercial mortgage and asset-backed sectors of the U.S. fixed income market. We changed the benchmark from a blend of 80% Merrill Lynch Mortgage Index/20% Merrill Lynch U.S. Treasuries 1-10 Year Index on July 1, 2008 to more accurately reflect the current strategy. Index returns link the Barclays U.S. Securitized Index returns after July 1, 2008 to the previous benchmark prior to that date. Index returns are provided for comparison purposes to represent the investment environment existing during the time periods shown. An index is fully invested, includes the reinvestment of dividends and capital gains, but does not include any transaction costs, management fees, or other costs. Holdings of each separately managed account in a composite will differ from the index. An investor may not invest directly in an index.

Gross of Fees: Gross of fees performance returns are presented before management fees, but after all trading expenses. Returns are presented net of withholding taxes on dividends, interest income and capital gains where applicable.

Net of Fees: Net of fee performance is calculated using the maximum stated annual fee of 0.40% applied monthly. Prior to January 1, 2013 net of fee performance was calculated using

actual fees. For the registered fund included in the composite, performance was further reduced by all fund expenses from composite inception through September 30, 2008.

Creation Date: This composite was created on October 2, 2006 and has an inception date of July 1, 1998.

Minimum Account Size: There is no minimum account size for this composite.

Derivatives Leverage and Short Positions: Portfolios in the composite may employ the use of over the counter and exchange traded derivatives where investment guidelines allow. Derivatives contracts such as, but not limited to, U.S. Treasury bond futures, Eurodollar futures, interest rate futures, and interest rate swaps may be used for hedging market risk and to manage and adjust duration profiles. Derivatives are never used for speculative purposes, however, they may represent a significant percentage of the portfolio when calculated using the notional amount. The registered fund in the composite may use leverage by entering into reverse repurchase agreements. The use of leverage increases investment risk and is limited to 33 1/3% or less of total market value. Short positions are not used, with the exception of the aforementioned derivative and leverage strategies.

Cash Flow Policy: Composite policy requires the temporary removal of any portfolio incurring a client-initiated significant cash inflow or outflow of at least 10% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite the first full month of being fully invested. Prior to January 1, 2013 accounts were not removed from the composite if there were fewer than three accounts in the composite. Additional information regarding the treatment of cash flows is available upon request.

Performance Calculations: Results are based on all fully discretionary accounts meeting the composite definition, including those accounts no longer with the firm. Returns are shown in U.S. Dollars, and include the reinvestment of all income. Additional information regarding policies for valuing portfolios, calculating performance, and preparing presentations is available upon request. Past performance is not indicative of future results.

Fee Schedule: 0.40% on first \$25 million of assets; 0.30% on next \$25 million of assets; 0.25% on assets over \$50 million. Advisory fees are described on this page and in Form ADV Part 2A. RBC GAM reserves the right to negotiate all advisory fees.

Composite Dispersion: The composite dispersion of annual returns is indicated by the performance of individual accounts representing the equal weighted standard deviation of returns. Dispersion of returns is calculated for portfolios included in the composite for the full year.

Composite History: This composite was redefined as of October 1, 2013 to include all accounts with an ETI focus. Prior to that date, only accounts that utilized primarily mortgage-backed securities were included in the composite. RBC GAM acquired substantially all of the assets of Access Capital on July 31, 2008. Access's investment professionals became RBC GAM employees, and the management team remained substantially intact after the transition. Performance presented through October 2, 2006 is for a registered fund acquired with Access Capital, who utilized a different sub-advisor from 2001 through 2006. RBC GAM (US) was the sub-advisor for the strategy beginning October 2, 2006 through the acquisition date. Prior to July 1, 2008, this composite was named the Community Investment Equity Composite.

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