

Certificate of Deposit Disclosure Statement

PLEASE RETAIN A COPY OF THIS DOCUMENT FOR YOUR RECORDS



RBC Capital Markets, LLC (“RBC CM” or the “Firm”) is registered as a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (SEC). You may receive services from the Firm as a client of its RBC Wealth Management division or as a client of another broker-dealer or registered investment adviser for which the Firm provides custody and clearing services through its RBC Clearing & Custody division.

The information contained in this Disclosure Statement may not be modified by any oral representation made prior or subsequent to the purchase of your Certificate of Deposit.

The Firm is making the certificates of deposit (the “CDs”) available to you, the terms of which are described below. The CDs may be made available pursuant to an arrangement between the Firm and another broker-dealer. Each CD is a deposit obligation of a depository institution in the United States or one of its territories (an “Issuer”), the deposits of which are insured by the Federal Deposit Insurance Corporation (the “FDIC”) within the limits described below. **Each CD is a direct obligation of the Issuer and is not, either directly or indirectly, an obligation of the Firm.** CDs may be purchased both upon issuance (the “primary market”) and in the secondary market.

The Firm will advise you of the names of Issuers currently making CDs available and, if your CD is purchased in the primary market, the date on which your CD will be established with the Issuer (the “Settlement Date”). Upon request, you will be provided with financial information concerning the Issuer of a CD that you would receive upon request if you established a deposit account directly with the Issuer. The Firm does not guarantee in any way the financial condition of any Issuer or the accuracy of any financial information provided by the Issuer.

The Issuer may use proceeds from the sale of the CDs for any purpose permitted by law and its charter, including making loans to eligible borrowers and investing in permissible financial products. The Firm or one of its affiliates may from time to time act as a broker or dealer in the sale of permissible financial products to the Issuer.

Your deposits at any one Issuer, including any CDs of the Issuer that you purchase, are eligible for FDIC insurance up to \$250,000 (including principal and accrued interest) for each insurable capacity (e.g., individual, joint, IRA, etc.).* For purposes of the \$250,000 federal deposit insurance limit, you must aggregate all deposits that you maintain with the Issuer in the same insurable capacity, including deposits you hold directly with an Issuer and deposits you hold through the Firm and other intermediaries.

Please see the sections headed “Deposit Insurance: General” and “Deposit Insurance: Retirement Plans and Accounts” below for more information about federal deposit insurance.

TERMS OF CDS

The maturities, rates of interest and interest payment terms of CDs available through the Firm will vary. Both interest-bearing and zero-coupon CDs may be available. You should review carefully the trade confirmation and any supplement to this Disclosure Statement for a description of the terms of the CD. You should also review the investment considerations discussed below in the section headed “Important Investment Considerations.”

The CDs will mature on the date indicated on the trade confirmation. The CDs will not be automatically renewed or rolled over and interest on the CDs will not continue to accrue or (in the case of zero-coupon CDs) accrete after maturity. At maturity the CD balances will be remitted by the Issuer to the Firm and credited to your account with the Firm. If the maturity date is not a business day, the CD balances will be paid on the next succeeding business day. A “business day” is any day the Firm and Issuer are both open for business.

** The Dodd-Frank Wall Street Reform and Consumer Protection Act, which was signed into law on July 21, 2010, increased deposit insurance coverage for each insurable capacity to \$250,000.*

Investment and insurance products offered through Capital Markets, LLC 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.

Interest-Bearing CDs

Interest-bearing CDs pay interest at either a fixed-rate or at a variable rate. A fixed-rate CD will pay the same interest rate throughout the life of the CD. The interest rate on variable rate CDs may increase or decrease from the initial rate at pre-determined time periods (“step-rates”) or may be re-set at specified times based upon the change in a specific index or indices (“floating rates”). The dates on which the rates on step-rate CDs will change or the rates on floating rate CDs will re-set, as well as a description of the basis on which the rate will be re-set, will be set forth on the trade confirmation or a supplement to this Disclosure Statement.

Some interest-bearing CDs may be subject to redemption on a specified date or dates at the discretion of the Issuer (a “call”). If the CD is called, you will be paid all principal and interest accrued up to, but not including, the call date. The dates on which the CD may be called will be specified in the trade confirmation or a supplement to this Disclosure Statement.

Interest-bearing CDs are offered in a wide range of maturities and are made available in minimum denominations and increments of \$1,000. Unless otherwise specified in the trade confirmation or any supplement to this Disclosure Statement, interest earned on interest-bearing CDs will be paid either monthly, quarterly, semiannually or annually, and at maturity.

Interest payments on interest-bearing CDs are credited to your account with the Firm. Interest will accrue up to, but not including, the interest payment date, the maturity date, or any call date. If an interest payment date falls on a day that is not a business day, interest will be paid on the first business day following the interest payment date.

Interest on CDs is not compounded. Interest on CDs in the primary market is calculated on the basis of the actual number of days elapsed over a 365-day year. However, the amount of interest on CDs that are purchased in the secondary market may be based on other interest rate calculations. Please contact the Firm with questions about interest on your CDs.

Zero-Coupon CDs

Zero-coupon CDs do not bear interest, but rather are issued at a discount from the face or par amount, the minimum amount of which is \$1,000. Interest on the CD will “accrete” at an established rate and the holder will be paid the par amount at maturity.

Call Feature

Some CDs may be subject to redemption on a specified date or dates at the sole discretion of the Issuer (a “call”). If the CD is called, you will be paid the outstanding principal amount and interest accrued or accreted up to, but not including, the call date, and no interest will be earned after the call date. The dates on which the CD may be called will be specified in the trade confirmation or a supplement to

this Disclosure Statement. In general, a call is most likely to be exercised when prevailing interest rates are lower than the interest rate payable on the CD. The Issuer is required to notify the Firm of its intent to call the CD prior to exercising the call. The Firm will use reasonable efforts to notify you of the Issuer’s intent to call the CD, but the Firm’s failure to notify you will not affect the validity of the call.

IMPORTANT INVESTMENT CONSIDERATIONS

Buy and Hold

CDs are most suitable for purchasing and holding to maturity. If your CD is callable by the Issuer, you should be prepared to hold your CD according to its terms. Though not obligated to do so, the Firm may maintain a secondary market in the CDs after their Settlement Date. If you are able to sell your CD in the secondary market, the price you receive will reflect prevailing market conditions and your sales proceeds may be less or more than the amount you paid for your CD. If you wish to sell your CD prior to maturity, you should review the sections headed “Additions or Withdrawals” and “Secondary Market.”

Compare Features

You should compare the rates of return and other features of the CDs to other available investments before deciding to purchase a CD. The rates paid on the CDs may be higher or lower than the rates on deposits or other instruments available directly from the Issuer or through the Firm.

Callable CDs

Callable CDs present different investment considerations than CDs not subject to call by the Issuer. You face the risk that: (i) the CD may be paid off prior to maturity as a result of a call by the Issuer and your return would be less than the yield that the CD would have earned had it been held to maturity; (ii) if the CD is called, you may be unable to reinvest the funds at the same rate as the original CD; or (iii) the CD is not called and you may be required to hold the CD until maturity. You should carefully review any supplement to this Disclosure Statement or your trade confirmation for the terms of your CD, including the time periods when the Issuer may call your CD.

Variable Rate CDs

Variable rate CDs present different investment considerations than fixed-rate CDs and may not be appropriate for every investor. Depending on the type of variable rate CD (step-rate or floating rate) and the interest rate environment, the CD may pay substantially more or substantially less interest over the term of the CD than would be paid on a fixed-rate CD of the same maturity. Furthermore, if the CD is subject to call by the Issuer, (i) you may not receive the benefits of any anticipated increase in rates paid on a variable rate CD if the CD is called or (ii) you may be required to hold the CD at a lower rate than prevailing market

interest rates if the CD is not called. You should carefully review your trade confirmation and any supplement to this Disclosure Statement that describes the step-rate or the basis for re-setting a floating rate and, if the CD is subject to call by the Issuer, the time periods when the Issuer may call the CD.

Insolvency of the Issuer

If the Issuer becomes insolvent, FDIC will be appointed to manage the Issuer's affairs. The FDIC may, in its discretion, pay off the CDs prior to maturity or transfer the CDs to another depository institution. If the CDs are transferred to another institution, you may be offered a choice of retaining the CDs at a lower interest rate or having the CDs paid off. See the sections headed "Deposit Insurance: General" and "Payments Under Adverse Circumstances."

Reinvestment Risk

If your CD is paid off prior to maturity as a result of the Issuer's insolvency, exercise by the Issuer of any right to call the CD or a voluntary early withdrawal (see the section headed "Additions or Withdrawals"), you may be unable to reinvest your funds at the same rate as the original CD. The Firm is not responsible to you for any losses you may incur as a result of a lower interest rate on an investment replacing your CD.

SEC Investor Tips

The Securities and Exchange Commission periodically publishes tips for investors in various financial products, including CDs, on its website. You may access these investor tips at www.sec.gov.

Your Relationship with the Firm and the Issuer

You will not receive a certificate or other evidence of ownership of the CD from the Issuer. All CDs issued on the same settlement date with the same terms by an Issuer will be evidenced by one or more master certificates held by The Depository Trust Company ("DTC"), a regulated entity that holds master certificates. The Firm, acting as your custodian, keeps records of your ownership of each CD you purchase and will provide you with a written confirmation of your purchase. The Firm will also provide you with a periodic account statement showing your CD ownership. You should retain the trade confirmation and the account statement(s) for your records.

Your account statement from the Firm may provide an estimate of the price you might receive on your CDs if you were able to sell them in the secondary market prior to maturity. Any prices on your statement are estimates and are not based on actual market prices. You may ask the Firm to explain its statement pricing policies. Your deposit insurance coverage and, if your CD is callable, the amount you would receive if your CD were called will be determined based on the outstanding principal amount of your CD, or the accreted

value in the case of a zero-coupon CD, not the estimated price. See the sections headed "Deposit Insurance: General" and "Secondary Market" for more information.

Each CD is a direct obligation of the Issuer and is not, either directly or indirectly, an obligation of the Firm. No deposit relationship shall be deemed to exist prior to the receipt and acceptance of your funds by the Issuer.

You have the right to dismiss the Firm as your agent. If you do so, you may (i) transfer your CD to another agent, provided that the agent is a member of DTC (most major brokerage firms are members; many banks and savings institutions are not); or (ii) request that your ownership of the CD be evidenced directly on the books of the Issuer, subject to applicable law and the Issuer's terms and conditions. If you remove the Firm as your agent, the Firm will have no further responsibility for payments made on your CD. If you establish your CD directly on the books of the Issuer, you may enforce your rights in the CD directly against the Issuer.

DEPOSIT INSURANCE: GENERAL

Your deposits, including your CDs, at each Issuer are insured by the FDIC, an independent agency of the United States Government, up to \$250,000 (including principal and accrued interest to the date the bank is closed) for all deposits held in the same insurable capacity at the Issuer. Any deposits that you may maintain directly with a particular Issuer, or through any other intermediary in the same insurable capacity in which the CDs are maintained, will be aggregated with the CDs for purposes of the \$250,000 federal deposit insurance limit.

The FDIC's regulations impose conditions for obtaining FDIC insurance coverage for deposits held through agents, such as the Firm. These conditions include recordkeeping requirements applicable to the Firm as your agent and custodian. See the section headed "Payments Upon Issuer Insolvency" below.

If an Issuer fails, interest-bearing CDs are insured, up to \$250,000, for principal and interest accrued to the date the Issuer is closed. Zero-coupon CDs are insured to the extent of the original offering price plus interest at the rate quoted to the depositor on the original offering, accreted to the date of the closing of the Issuer. The original offering price of a zero-coupon CD plus accreted interest is hereinafter called the "accreted value."

Under certain circumstances, if you become the owner of a CD or other deposit account at an Issuer after another depositor dies, as a result of a survivorship feature of the account, such as a joint account or a "payable on death" account, the FDIC provides a six-month "grace period" after the death of the other depositor during which time your deposits are eligible for the pre-death coverage in order to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

You are responsible for monitoring the total amount of deposits that you hold with any one Issuer, directly or through an intermediary, in order for you to determine the amount of deposit insurance coverage available to you on your deposits, including the CDs. The Firm is not responsible for any insured or uninsured portion of the CDs or any other deposits.

BY YOUR PURCHASE OF A CD YOU ARE DEEMED TO REPRESENT TO THE ISSUER AND THE FIRM THAT YOUR DEPOSITS WITH THE ISSUER (OR IF YOU ARE ACTING AS A CUSTODIAN, THE DEPOSITS OF THE BENEFICIARIES), INCLUDING THE CD, WHEN AGGREGATED IN ACCORDANCE WITH FDIC REGULATIONS, ARE WITHIN THE \$250,000 FEDERAL DEPOSIT INSURANCE LIMIT.

If your CDs or other deposits at the Issuer are assumed by another depository institution pursuant to a merger or consolidation, such CDs or deposits will continue to be separately insured from the deposits that you might have established with the acquiror until (i) the maturity date of the CDs or other time deposits that were assumed, or (ii) with respect to deposits that are not time deposits, the expiration of a six-month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquiror held in the same insurable capacity for purposes of federal deposit insurance. Any deposit opened at the Issuer after the acquisition will be aggregated with deposits established with the acquiror for purposes of federal deposit insurance.

If you purchase a CD in the secondary market at a premium over the par amount (or accreted value in the case of a zero-coupon CD), that premium is not insured. Similarly, you are not insured for any premium reflected in the estimated market value of your CD on your account statement. If deposit insurance payments become necessary for the Issuer, you can lose the premium paid for your CD and will not receive any premium shown on your account statement. See the section headed “Secondary Market.”

The application of the \$250,000 federal deposit insurance limit is illustrated by several common factual situations discussed below. Please review the section headed “Deposit Insurance: Retirement Plans and Accounts” for the application of the \$250,000 federal deposit insurance limit to retirement plans and accounts. The following factual situations are provided for your information and are not legal advice. Please see the section titled “Questions about FDIC Deposit Insurance Coverage” for more information.

Individual Customer Accounts

Deposits of any one Issuer held by an individual are added together with other deposits owned by the individual and insured up to \$250,000 in the aggregate. An individual may hold deposits through an agent (such as the CDs held in a Firm account) or through a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers

to Minors Act). In such cases, the individual’s deposits will be added together with other deposits and insured up to \$250,000 in the aggregate. Deposits held through a **qualified tuition savings program (529 Plan)** will be insured as deposits of the participant and aggregated with other deposits of the participant if the arrangement and the name of the participant are identified on the Firm’s account records.

Corporate, Partnership and Unincorporated Association Accounts

Deposits of any one Issuer held by corporations (including Subchapter S corporations), partnerships and unincorporated associations, operated for a purpose other than to increase deposit insurance, are added together with other deposits owned by such corporation, partnership and unincorporated association, respectively, and are insured up to \$250,000 in the aggregate.

Joint Accounts

An individual’s interest in deposits of any one Issuer held under any form of joint ownership valid under applicable state law (a “Joint Account”) may be insured up to \$250,000 in the aggregate. This insurance is in addition to the \$250,000 provided for other deposits individually owned by any of the co-owners of such accounts. For example, a Joint Account owned by two persons would be eligible for insurance coverage of up to \$500,000 (\$250,000 for each person), subject to aggregation with each owner’s interests in other Joint Accounts at the same depository institution. Joint Accounts will be insured separately from individually owned accounts only if each of the co-owners is an individual person and has a right of withdrawal on the same basis as the other co-owners.

Trust Accounts

Effective April 1, 2024, deposits of any one Issuer held pursuant to any of the following trust arrangements established by the same grantor are insured for up to \$250,000 per eligible beneficiary, multiplied by the number of beneficiaries, up to a maximum of five (5) eligible beneficiaries:

- *Informal revocable trusts*, which include accounts in which the grantor evidences an intent that, at his or her death, the funds shall belong to one or more specified beneficiaries. These trusts may be referred to as a “Totten trust” account, “payable upon death” account or “transfer on death” account. Each beneficiary must be included in the Firm’s account records.
- *Formal revocable trusts*, which are written trust arrangements in which the grantor retains ownership and control of the assets and designation of beneficiaries during his or her lifetime and the assets pass to the beneficiaries upon the death of the grantor. The trusts may be referred to as “living” or “family” trusts.

- *Irrevocable trust accounts*, which are trust arrangements established by statute or written trust agreement. **Coverdell Education Savings Accounts** are irrevocable trust accounts.

A beneficiary's interest in any trust account at the same Issuer with the beneficiary's interest in all other trust accounts created by the same grantor will be aggregated and insured up to \$250,000.

Health Savings Accounts

Deposits of any one Issuer held in a Health Savings Account, will be eligible for deposit insurance as either an individual account, a trust account or an employee benefit plan. You may wish to consult with your attorney or the FDIC to determine the available deposit insurance coverage.

DEPOSIT INSURANCE: RETIREMENT PLANS AND ACCOUNTS

Retirement Plans and Accounts — Generally

The amount of deposit insurance available on CDs of any one Issuer held through one or more retirement plans or deposit insurance accounts will vary depending on the type of plan or account. It is therefore important to understand the type of plan or account holding the CDs. The following sections generally discuss the rules that apply to deposits of retirement plans and accounts.

Individual Retirement Accounts (“IRAs”)

Deposits of any one Issuer held in an IRA will be insured up to \$250,000 in the aggregate. However, as described below, the CDs of any one Issuer acquired by an IRA will be aggregated with the CDs of the same Issuer held by certain employee benefit plans in which the owner of the IRA has an interest. Thus, the owner of an IRA will only be eligible for insurance of \$250,000 for CDs at any one Issuer held in plans and accounts that are subject to aggregation. See the section below headed “Aggregation of Retirement Plan and Account Deposits.”

Pass-Through Deposit Insurance for Employee Benefit Plan Deposits

Subject to the limitations discussed below, a plan participant's non-contingent interests in the deposits of any one Issuer held by many types of plans are eligible for insurance up to \$250,000 on a “pass-through” basis. This means that instead of an employee benefit plan's deposits at one Issuer being entitled to only \$250,000 in total per Issuer, each participant in the employee benefit plan is entitled to insurance up to \$250,000 per Issuer (subject to the aggregation of the participant's interests in different plans, as discussed below). The pass-through insurance provided to an individual as an employee benefit plan participant is separate from the \$250,000 federal deposit insurance limit allowed on other deposits held by an individual in different insurable capacities with the Issuer.

The types of plans for which deposits may receive pass-through treatment are employee benefit plans, as defined in Section 3(3) of the Employee Retirement Income Security Act (ERISA) (including Keogh plans, whether or not they are technically “employee benefit plans” under ERISA) and eligible deferred compensation plans described in Section 457 of the Internal Revenue Code of 1986. For purposes of Section 3(3) of ERISA, employee benefit plans are broadly defined to include most employee benefit plans, including most defined benefit plans and most defined contribution plans.

The value of an employee's non-contingent interest in a defined benefit plan will be equal to the present value of the employee's interest in the plan, evaluated in accordance with the calculation ordinarily used under such plan. Deposits of any one Issuer held by a defined benefit plan that is eligible for pass-through treatment are not insured for an amount equal to the number of plan participants multiplied by \$250,000. For example, plan has on deposit \$500,000 of CDs of a single Issuer. The employee benefit plan has two participants, one with a non-contingent interest of \$425,000 and one with a non-contingent interest of \$75,000. In this case, the individual with the \$425,000 interest would be insured up to the \$250,000 limit and the individual with the \$75,000 interest would be insured up to the full value of such interest.

The contingent interests of employees in an employee benefit plan and overfunded amounts attributed to any employee benefit plan are not insured on a pass-through basis. Contingent interests of employees in an employee benefit plan deposit are interests that are not capable of evaluation in accordance with FDIC rules, and are aggregated and insured up to \$250,000 per Issuer. Similarly, overfunded amounts are insured, in the aggregate for all participants, up to \$250,000 separately from the insurance provided for any other funds owned by or attributable to the employer or an employee benefit plan participant.

Aggregation of Retirement Plan and Account Deposits

Under FDIC regulations, an individual's interests in plans maintained by the same employer or employee organization (for example, a union) which are holding deposits of the same Issuer will be insured for \$250,000 in the aggregate. In addition, under FDIC regulations an individual's interest in the CDs of one Issuer held by (i) IRAs, (ii) Section 457 Plans, (iii) self-directed Keogh Plans and (iv) self-directed defined contribution plans that are acquired by these plans and accounts will be insured for \$250,000 in the aggregate whether or not maintained by the same employer or employee organization.

QUESTIONS ABOUT FDIC DEPOSIT INSURANCE COVERAGE

If you have questions about basic FDIC insurance coverage, please contact the Firm. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one insurable capacity. You may also obtain information by contacting the FDIC, Deposit Insurance Outreach, Division of Supervision and Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342 or 800-925-4618 (TDD)), by visiting the FDIC website at www.fdic.gov/deposit/index.html, or by e-mail using the FDIC's On-line Customer Assistance Form available on its website.

PAYMENTS UPON ISSUER INSOLVENCY

As with all deposits, if it becomes necessary for federal deposit insurance payments to be made on the CDs, there is no specific time period during which the FDIC must make insurance payments available. The records maintained by the Issuer and the Firm regarding ownership of CDs will be used to establish your eligibility for federal deposit insurance payments and will be submitted to the FDIC in connection with your claim for deposit insurance. In addition, you may be required to provide certain documentation to the FDIC and to the Firm before insurance payments are released to you. For example, if you hold CDs as trustee for the benefit of trust participants, you may also be required to furnish an affidavit to that effect; you may be required to furnish other affidavits and provide indemnities regarding an insurance payment. You should be prepared for the possibility of a delay in obtaining insurance payments.

If deposit insurance payments become necessary for your CDs, the FDIC is required to pay the original par amount plus accrued interest (or the accreted value in the case of zero-coupon CDs) to the date of the closing of the relevant Issuer, as prescribed by law, and subject to the \$250,000 federal deposit insurance limit. No interest or accreted value is earned on deposits from the time an Issuer is closed until insurance payments are received.

As an alternative to a direct deposit insurance payment from the FDIC, the FDIC may transfer the insured deposits of an insolvent institution to a healthy institution. Subject to insurance verification requirements and the limits on deposit insurance coverage, the healthy institution may assume the CDs under the original terms or offer you a choice between paying the CD off and maintaining the deposit at a different rate. There may be a delay in receiving notification from the healthy institution, and the healthy institution may lower the rate on the CDs prior to providing notice. The Firm will advise you of your options in the event of a deposit transfer as information becomes available.

The Firm will not be obligated to you for amounts not covered by deposit insurance nor will the Firm be obligated to make any payments to you in satisfaction

of a loss you might incur as a result of (i) a delay in insurance payouts applicable to your CD, (ii) your receipt of a decreased interest rate on an investment replacing your CD as a result of the payment of the principal and accrued interest or the accreted value of a CD prior to its scheduled maturity or (iii) payment in cash of the principal and accrued interest or the accreted value of your CDs prior to maturity in connection with the liquidation of an Issuer or the assumption of all or a portion of its deposit liabilities. The amount of a payment on a CD that had been purchased at a premium in the secondary market is based on the original par amount (or, in the case of a zero-coupon CD, its accreted value), not on any premium amount, and you may lose up to the full amount of the premium as a result of such a payment. Further, the Firm will not be obligated to credit your account with funds in advance of payments received from the FDIC.

ADDITIONS OR WITHDRAWALS

No additions are permitted to be made to any CD. When you purchase a CD, you agree with the Issuer to keep your funds on deposit for the term of the CD. Except as set forth below, no early withdrawals of interest-bearing CDs will be available. The early withdrawal provisions, if any, applicable to your CD may be more or less advantageous than the provisions applicable to other deposits available from the Issuer.

In the event of death or the adjudication of incompetence of the owner of a CD, early withdrawal of the entire CD will generally be permitted without penalty. Withdrawal of a portion of the owner's interest will not be permitted. Written verification acceptable to the Issuer will generally be required to permit early withdrawal under these circumstances.

By law, the beneficiary of an IRA (but not a Roth IRA) must generally begin making withdrawals from the IRA after age 73. CDs held in an IRA are not eligible for early withdrawal simply because the beneficiary must begin making mandatory withdrawals from the IRA. IRA beneficiaries should purchase CDs with maturities that correspond to the mandatory withdrawal requirements or look to the secondary market for liquidity. See the section headed "Secondary Market."

If a customer wishes to make an early withdrawal, and such withdrawal is permitted, the Firm endeavors to obtain funds for the customer as soon as possible. However, the Firm will not advance funds in connection with early withdrawals and can give no assurances that payment pursuant to early withdrawals will be made by a specified date.

SECONDARY MARKET

The Firm, though not obligated to do so, may maintain a secondary market in the CDs after their Settlement Date. If you wish to sell your CD prior to maturity and the Firm does not maintain a secondary market, the Firm may attempt to

sell your CD in a secondary market maintained by another broker-dealer. The Firm cannot provide assurance that you will be able to sell your CDs prior to their maturity. In addition, a secondary market for the CDs may be discontinued at any time without notice. Therefore, you should not rely on any such ability to sell your CDs for any benefits, including achieving trading profits, limiting trading or other losses, realizing income prior to maturity, or having access to proceeds prior to maturity.

If a buyer is available at a time you attempt to sell your CD prior to its maturity, the price at which your CD is sold may result in a return to you that may differ from the yield that the CD would have earned had it been held to maturity, since the selling price for a CD in such circumstances will likely be based on a number of factors such as interest rate movements, time remaining until maturity, and other market conditions. Also, the price at which a CD may be sold in the secondary market will reflect a mark-down retained by the Firm. Similarly, the price you may pay for any CD purchased in the secondary market will include a mark-up established by the Firm. If you choose to sell a CD in the secondary market, you may receive less in sale proceeds than the original principal (par) amount of the CD or the estimated price on your account statement.

If a CD is purchased in the secondary market at a premium over the par amount (or accreted value in the case of a zero-coupon CD), the premium is not insured. Therefore, if deposit insurance payments become necessary for the Issuer, the owner of a CD purchased in the secondary market can incur a loss of up to the amount of the premium paid for the CD. (Also see the section headed "Deposit Insurance: General.")

The uninsured premium being paid for an interest bearing CD can be determined from the price set forth in your trade confirmation. Price on CDs is expressed in relation to par (\$100.00). Any amount over \$100.00 represents the premium. For example, if your trade confirmation states that the price for a CD purchased in the secondary market is \$100.25, there is a premium that will not be insured by the FDIC. A price of \$99.75 would not include a premium. The trade confirmation will also inform you if the CD has accrued interest, which will be insured as long as the par amount of CDs held by you in one insurable capacity at the Issuer plus the accrued interest does not exceed the \$250,000 federal deposit insurance limit.

In the case of a zero-coupon CD purchased in the secondary market, the uninsured premium can initially be calculated by subtracting the accreted value from the "Gross Amount" paid. This uninsured premium does, however, decline over time. The accreted value of a zero-coupon CD, which is based upon the original issue yield and price, can be obtained at the time of purchase from the Firm.

If you purchase a callable CD in the secondary market at a premium, you will receive only the par amount if the CD is called.

FEES

The Firm and the broker-dealer arranging for the CD to be offered will receive a placement fee from the Issuer. Except for the mark-up or mark-down discussed above in connection with secondary market transactions and a handling fee, if any, disclosed on your trade confirmation, you will not be charged any commissions in connection with your purchase of a CD.

FEDERAL INCOME TAX CONSEQUENCES

The federal income tax consequences of owning CDs will vary depending upon the terms of your CD and the type of account in which you hold your CD. In addition, there may be tax consequences upon the sale, early withdrawal or other disposition of your CD. These tax consequences may differ for non-U.S. persons. You should consult your own tax advisor to determine the federal, state, local and other income and estate consequences of your CD purchase.

Neither RBC Capital Markets, LLC, nor its affiliates provide legal, accounting or tax advice. All legal, accounting or tax decisions regarding your accounts and any transactions or investments entered into in relation to such accounts, should be made in consultation with your independent advisors. No information, including but not limited to written materials, provided by RBC CM should be construed as legal, accounting or tax advice.

For an updated version of this disclosure, please see "Certificate of Deposit Disclosure" at www.rbcwm.com/disclosures or www.rbcclearingandcustody.com/disclosures.

Please contact your Financial Professional if you have any questions about this disclosure.