

CAD 4.4 million Fixed Rate Callable Senior Notes due 19 November 2024 (the “Notes”) Indicative Terms & Conditions

This term sheet is provided for discussion and/or information purposes only and it does not constitute either an offer or the solicitation of an offer to enter into a securities or any other transaction. It is not intended to set forth a final expression of the terms and conditions of any transaction and it may be amended, superseded or replaced in its entirety by subsequent term sheets or other summaries of terms and conditions. This term sheet does not purport to identify or suggest all of the risks (direct or indirect) which may be associated with the proposed investment.

Terms used but not defined herein are as defined in the Prospectus for the Programme for the Issuance of Notes as updated and/or supplemented as of the issue date of the Notes (the "Prospectus").

Issuer:	Royal Bank of Canada (Toronto Branch)
Bail-inable Notes:	Notes are subject to bail-in conversion in Canadian Bail-in Regime (see Base Prospectus for further information) ¹
Rating:	A2 by Moody's / A by Standard & Poor's
Instrument:	CAD Senior Notes
Issue Amount:	CAD 4,400,000
Status:	Direct, unsecured and unsubordinated obligations of the Issuer. Classic Global Note.
Trade Date:	29 October 2020
Issue Date:	18 November 2020
Maturity Date:	19 November 2024, subject to Call Feature
Interest:	Interest shall commence on 19 November 2020. Interest shall be payable semi-annually in arrear and accrue at a rate of : 0.81 per cent per annum.
Interest Payment Dates:	The 19 of each May and November, commencing 19 May 2021, with a final payment on the Maturity Date, subject to adjustment in accordance with the Business Day Convention
Day Count:	30/360, Unadjusted

1 Bail-inable: The Notes are bail-inable Notes subject to conversion in whole or in part – by means of a transaction or series of transactions and in one or more steps – into common shares of the Bank or any of its affiliates under subsection 39.2(2.3) of the Canada Deposit Insurance Corporation Act (“CDIC Act”) and to variation or extinguishment in consequence, and subject to the application of the laws of the Province of Ontario and the federal laws of Canada applicable therein in respect of the operation of the CDIC Act with respect to the Notes.

CDIC: The Notes do not constitute deposits that are insured under the CDIC Act

For a description of Canadian bank resolution powers and the consequent risk factors attaching to the Notes reference is made to the subsection entitled “ 3.3 Risks relating to Bail-inable Securities” in the Risk Factors section of the Structured Securities Base Prospectus dated July 17, 2020

Issue Price:	100.00 per cent.
Redemption Price:	100.00 per cent.
Call Feature:	Issuer has the right to call the Notes at par in whole but not in part on the 19 of each May and November, from and including 19 November 2022 up to and including 19 May 2024 upon giving 10 business days' notice, provided that where the redemption would lead to a breach of the Issuer's TLAC requirement each redemption will be subject to the prior approval of the Superintendent of Financial Institutions (Canada).
Business Days:	Tokyo, London, New York and Toronto
Business Day Convention:	Modified Following
Denominations:	CAD 2,200,000 (the Calculation Amount)
Governing Law:	Province of Ontario and the laws of Canada applicable therein
Attornment:	By acquiring the Notes, each Noteholder (including each beneficial owner) is deemed to attorn to the jurisdiction of the courts in the Province of Ontario in Canada with respect to the CDIC Act and the laws of the Province of Ontario and the federal laws of Canada applicable therein
Listing:	None
Documentation:	Under the existing EMTN Programme, including the Prospectus as supplemented from time to time (the "Prospectus")
Lead Manager:	RBC Europe Limited
Calculation Agent:	Royal Bank of Canada, London
Settlement:	Euroclear or Clearstream on a delivery against payment basis
MiFID II Target Market:	Eligible counterparties and professional clients only
Time of execution:	06:45am (London time)
ISIN:	XS2244768680

OFFERING INFORMATION

US Offering Information:	This termsheet is not an offer of securities for sale in the United States. The Notes have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or any state securities laws, and may not at any time be offered, sold, pledged or otherwise transferred, directly or indirectly, in the United States or to, or for the account or benefit of, US Persons (as such term is defined in Regulation S under the Securities Act) unless registered under the Securities Act or pursuant to an exemption from such registration.
UK Offering Information:	Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that: (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised

person, apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

**Canadian Offering
Information:**

The Notes have not been and will not be qualified for sale under the securities laws of any province or territory of Canada. Each Dealer has represented and agreed that it has not offered, sold or distributed and will not offer, sell or distribute any securities, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws. Each Dealer has also represented and agreed that it has not distributed or delivered and will not distribute or deliver this termsheet, or any other offering material in connection with any offering of the securities, in Canada other than in compliance with applicable securities laws.

**EEA and UK Retail Investor
Offering Information:**

The Base Prospectus (as contemplated by the Final Terms of the Notes) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area ("EEA") or the United Kingdom (the "UK") which has implemented Regulation (EU) 2017/1129 (the "Prospectus Regulation") (each, a Relevant State) will be made pursuant to an exemption under the Prospectus Regulation, as implemented in the Relevant State, from the requirement to publish a prospectus for offers of Notes. Accordingly, the Notes should not be sold or offered, directly or indirectly, to persons in any Relevant State except in circumstances which would not require the publication of a prospectus and any person making or intending to make an offer in that Relevant State of Notes should only do so in circumstances in which no obligation arises for the Issuer or RBC Europe Limited to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation in relation to such offer. No recipient of this termsheet is authorized by any person to act in a way which would result in an offer to it being considered to be a placement through an intermediary for the purposes of the Prospectus Regulation.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or the UK without an up-to-date PRIIPS KID being in place with the prior written consent of RBC Europe Limited and provided in accordance with the PRIIPS Regulation. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). If the aforementioned consent of RBC Europe Limited has not been received then no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

Japan Offering Information:

No registration pursuant to article 4, paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "FIEA") has been made or will be made with respect to the Securities. The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

**Hong Kong Offering
Information:**

WARNING

The contents of this termsheet have not been reviewed by any regulatory authority in Hong Kong or any other jurisdiction. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this termsheet, you should obtain independent professional advice.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in



the product, you may clarify with the intermediary or seek independent professional advice.

This termsheet has not been approved by the Securities and Futures Commission in Hong Kong and, accordingly, (i) the Notes (except for Notes which are "structured products" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO")) may not be offered or sold in Hong Kong by means of this termsheet or any other document other than to "professional investors" as defined in the SFO and any rules made thereunder, or in other circumstances which do not result in the termsheet being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of C(WUMP)O, and (ii) no person shall issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or termsheet relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder.

For distribution through Hong Kong, Royal Bank of Canada Hong Kong Branch and/or its associates will receive monetary benefits in distributing this product.

**Singapore Offering
Information:**

The Issuer acknowledges that the Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore, and the Securities will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "Securities and Futures Act"). Accordingly, the Issuer represents and agrees that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Offering Circular or any document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Securities, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act, or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following persons specified in Section 275 of the Securities and Futures Act which has subscribed or purchased Securities, namely a person who is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Securities under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person or to any person pursuant to Section 275(1) and Section 275(1A) of the Securities and Futures Act, respectively and in accordance with the conditions specified in Section 275 of the Securities and Futures Act; or
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) pursuant to Section 276(7) of the Securities and Futures Act.
- (v) as specified in Regulation 32 of the Securities and Futures (Offer of Investments)

(Shares and Debentures) Regulations 2005 of Singapore.

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA") - The W&C Securities shall be (i) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (ii) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

SALES RESTRICTIONS AND DISCLAIMERS

- On-sales of Notes:** In addition to the specific restrictions in relation to offers in the EEA and United Kingdom, Switzerland and Canada stated above, any on-sales, subsequent offer or buy back of the Notes should only be made in accordance with any applicable law and regulation. In particular any applicable securities laws or regulations relating to the requirement for a prospectus or other prescribed disclosure or any requirement to conduct suitability or appropriateness assessments and any requirement regarding the disclosure of commissions and/or fees and/or non monetary benefits paid or received should be complied with.
- Conflict of Interest Disclosure:** RBC Europe Limited ("RBCEL") forms part of a major banking group. It is therefore possible that RBCEL or one of its subsidiaries or affiliates or one of their officers, employees, representatives or agents (together "the Bank Group") or another client of the Bank Group may have interests, relationships and/or arrangements that give rise to conflicts of interest in relation to business that is transacted with you. Members of the Bank Group may perform a variety of roles in connection with the issuance. The Issuer, Dealer or their affiliates may act as the Calculation Agent and may undertake hedging activity which may have an adverse impact on the value of the Notes. The Issuer, Dealer or their affiliates may also from time-to-time provide market prices that are utilised in calculating the Reference Index, as such, these determinations may affect the value of the notes being issued. Any conflicts of interest will be managed in accordance with The Bank Group's established policies and procedures.
- Fee Disclosure:** The Issue Price may include a fee or commission payable to a distributor or third party, such a fee or commission will be determined by a number of factors including but not limited to maturity of the note, hedging costs and legal fees. Further details in respect of the fee or commission are available upon request.
- Use of LIBOR:** ICE BENCHMARK ADMINISTRATION LIMITED MAKES NO WARRANTY, EXPRESS OR IMPLIED, EITHER AS TO THE RESULTS TO BE OBTAINED FROM THE USE OF ICE LIBOR AND/OR THE FIGURE AT WHICH ICE LIBOR STANDS AT ANY PARTICULAR TIME ON ANY PARTICULAR DAY OR OTHERWISE. ICE BENCHMARK ADMINISTRATION LIMITED MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IN RESPECT OF ANY USE OF ICE LIBOR.

RISK INFORMATION

- Issuer Risk:** Investors bear the issuer risk. The investment instrument's value is dependent not only on the development of the underlying, but also on the creditworthiness of the issuer, which may vary over the term of the structured product. The ratings of the Issuer noted above reflect the independent opinion of the rating agencies as to the safety of payments of principal and interest. These ratings are not a guarantee of credit quality. The ratings do not take into consideration any risk associated with fluctuations in the market value of this instrument, or where factors other than the Issuer's credit quality determine the level of principal and interest payments.
- Liquidity Risk:** The investor should be prepared to hold this note until maturity should it not be called or terminated early, if such option exists, by the Issuer. The Dealer will, however, use its reasonable endeavours to provide liquidity to the Note (either directly or through an affiliate) but is not obliged to do so and may stop providing liquidity at any time without notice. The price at which you purchase the Note



Capital
Markets

RBC Europe Limited
RBC London Branch
100 Bishopsgate
EC2N 4AA

Switchboard: +44 (0)20 7489 1188
Facsimile: +44 (0)20 7329 6144

includes selling commissions paid by the Dealer and hedging costs and profits that the Dealer or its affiliates expect to incur or realize. These selling commissions, costs and profits will reduce the secondary market price, if any secondary market develops, for the Note. As a result, you may experience an immediate and substantial decline in the value of your notes on the issue date.

Suitability:

This document is being provided to you based on our reasonable belief that you are a sophisticated institutional investor that is capable of assessing the merits and risks of the matters discussed herein. Institutions referencing this document or extracting information from this document with which to advise their clients will need to ensure that the information satisfies their local jurisdictional requirements and applicable securities laws for conducting business with private and /or retail clients.



This document has been prepared by RBC Capital Markets ("RBCCM") for discussion and/or information purposes only. This document is an indicative summary of the terms and conditions of the transaction described herein. It may be amended, superseded or replaced by subsequent summaries and should not be relied on. Should a transaction ultimately be entered into between us, the final terms and conditions of the transaction will be set out in full in a binding transaction document and reference should be made only to such document and not this indicative termsheet for definitive information. This document shall not constitute an underwriting commitment, an offer to sell, or the solicitation of an offer to buy any securities, commodities or other instruments, or a recommendation to enter into any transaction by any RBC entity. Nor is it an official or unofficial confirmation of terms. Although the indicative information set forth herein is reflective of terms, as of the date of this communication, under which we believe an issuance of securities or other transactions might be structured, no assurance can be given that such an issuance or transaction could in fact be executed, nor is any entity obligated to issue such securities or obligations or enter into any transaction. To the extent that you subsequently enter into a transaction with RBC and / or any of its affiliates this would be on the basis that you were transacting with us as principal (and not as agent or in any other capacity, fiduciary or otherwise) and no other person would have an interest herein.

All information, terms and pricing set forth herein is indicative and subject to change without notice. Any opinions expressed herein reflect our judgment at the date and time hereof and are subject to change without notice. The information contained in this document has been internally developed or taken from trade and statistical services and other sources which we deem reliable, but no warranty is made that such information is accurate or complete and it should not be relied upon as such.

Transactions of the type described herein may involve a high degree of risk, and the value of such instruments may be highly volatile. Such risks may include without limitation risk of adverse or unanticipated market developments, risk of issuer default and risk of illiquidity. In certain transactions counterparties may lose their entire investment or incur an unlimited loss. **This brief statement does not disclose all the risks and other significant aspects in connection with transactions of the type described herein, and counterparties should ensure that they fully understand the terms of the transaction, including the relevant risk factors and any legal, tax, regulatory and accounting considerations applicable to them, prior to transacting. No representation is made concerning the legal, tax, regulatory or accounting implications in any applicable jurisdiction and we are not advising you in respect of such matters. Accordingly you must independently determine, with your own advisors, the appropriateness for you of the transaction before transacting. To the fullest extent permissible by law, RBCCM accepts no liability for any loss (including consequential losses) arising from the use of this document or reliance on the information contained herein. RBCCM is acting solely in the capacity of an arm's length contractual counterparty and not in the capacity of your financial adviser or fiduciary.**

RBC Capital Markets is a business name used by certain branches, subsidiaries and business units of Royal Bank of Canada including RBC Europe Limited, Royal Bank of Canada, London Branch, RBC Dominion Securities Inc., RBC Capital Markets, LLC, Royal Bank of Canada - Hong Kong Branch RBC Capital Markets (Hong Kong) Limited, RBC Capital Markets (Japan) Ltd. and Royal Bank of Canada – Sydney Branch. RBC Capital Markets (Japan) Ltd. is a type one Financial Instruments Firm registered with the Japan Financial Services Agency (FSA), RBC Europe Limited is authorised by the Prudential Regulatory Authority ("PRA") and regulated by the Financial Conduct Authority ("FCA") and the PRA. Royal Bank of Canada, London branch is authorised by the PRA and subject to regulation by the FCA and limited regulation by the PRA..

This document is confidential, and no part of it may be reproduced, distributed or transmitted without the prior written permission of RBCCM. © RBC Europe Limited 2020 (all rights reserved).

重要事項

当文書は、情報提供のみを目的として RBC Capital Markets ("RBCCM")により作成されたものであり、証券等の取引の勧誘等を構成するものではありません。当文書は、Terms & Condition の概要であり、最終的な表明を行うものではなく、最終的な取引条件は取引書類に記載されますので、当該最終の取引書類を参照して下さい。当文書は、RBC グループがいかなる取引のコミットメント、提案、勧誘を行うものではなく、条件や取引の実行を確約するものではありません。当文書の情報は、社内で作成されたもの及び我々が信用できると考えるデータソースから取得したものが含まれておりますが、その正確性・完全性を保証するものではありません。

当債券は、他に免除されている場合を除いて、①有価証券発行勧誘等（金融商品取引法（以下、「法」といいます。）第 4 条第 2 項に規定するものをいいます。）又は有価証券交付勧誘等（法第 4 条第 2 項に規定するものをいいます。）が少数向け勧誘（法第 23 条の 13 第 4 項本文に規定するものをいいます。）に該当することにより、当該有価証券発行勧誘等又は当該有価証券交付勧誘等に關し、法第 4 条第 1 項の規定による届出は行なわれておらず、②一括して譲渡する場合以外に譲渡することが禁じられています。

当債券の取引は、商品リスク、発行体リスク、参照アイテム、流動性リスク、適合性、利益相反に関するリスク、税務リスク等を含む高いリスクの可能性があり、投資の価値は大きく上下する場合があります。当記述は、取引に関する（直接的・間接的）リスクやその他の重要な事項の全てを明らかにするものではなく、取引の前に、関連するリスクファクター、適用される法務、税務、規制、会計上の検討を含む取引の条件を、ご自身でよく理解する必要があります。また、法務、税務、規制、会計の影響についていかなる法管轄においても表明を行うものではなく、これらの事項についてアドバイスを行うものではありません。従って、取引にあたっては、ご自身で、ご自身のアドバイザーとともに、取引の適当性についてご決定下さい。法が認める最大限の範囲において、RBCCM は当文書の利用やここに記載された情報への依存から生じる損失（結果損失を含む）について一切責任を負うものではありません。

当債券の保有者は、米国内国歳入法 871 条(m)に規定される配当に相当する支払に関する源泉徴収税を課されません。

当債券は、欧州経済領域若しくは英国の一般投資家等への勧誘又は販売は禁止されております。

当債券は第二次金融商品市場指令（MiFID 2）第 4 条 11 項にて定義された欧州経済領域（EEA）のリテール顧客向けに販売を目的としたものではありません。またリテール顧客向け保険ベースパッケージ型投資金融商品規制（PRIIPs）にて要請された重要情報書類（KIDs）ではありません。

当文書は機密であり、RBC の事前の書面による許可なく、いかなる部分も転用、配布、送信することを禁じます。

RBC キャピタルマーケット証券会社 東京支店

金融商品取引業者（第一種金融商品取引業） 関東財務局長（金商）第 203 号