



## EUR 95.6 million Zero Accreting Callable N Senior Bonds due 2050

### Indicative Terms & Conditions

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<b>Issuer:</b>	Royal Bank of Canada (London Branch)										
<b>Issuer Rating:</b>	Aa2 by Moody's / AA- by Standard & Poor's										
<b>Notes Rating:</b>	A2 by Moody's / A by Standard & Poor's										
<b>Bail-inable Notes:</b>	<p>The Notes are 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 Issuer or any of its affiliates under subsection 39.2(2.3) of the <i>Canada Deposit Insurance Corporation Act</i> (the “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. For a description of Canadian bank resolution powers and the consequent risk factors attaching to the Notes in particular reference is made to <a href="http://www.rbc.com/investorrelations/bail-in-debt.html">http://www.rbc.com/investorrelations/bail-in-debt.html</a> (<i>Disclosure for Bail-inable Notes</i>) which information is hereby incorporated by reference. The Notes do not constitute deposits that are insured under the CDIC Act.</p>										
<b>Lender and Issue Amount:</b>	<table><tr><td>SIGNAL IDUNA Lebensversicherung a.G.</td><td>42.7 Mio. €</td></tr><tr><td>SIGNAL IDUNA Krankenversicherung a.G.</td><td>42.7 Mio. €</td></tr><tr><td>SIGNAL IDUNA Pensionskasse AG</td><td>8.6 Mio. €</td></tr><tr><td>Pensionskasse SIGNAL Versicherungen</td><td>0.8 Mio. €</td></tr><tr><td>SIGNAL IDUNA Sterbekasse VVaG</td><td>0.8 Mio. €</td></tr></table>	SIGNAL IDUNA Lebensversicherung a.G.	42.7 Mio. €	SIGNAL IDUNA Krankenversicherung a.G.	42.7 Mio. €	SIGNAL IDUNA Pensionskasse AG	8.6 Mio. €	Pensionskasse SIGNAL Versicherungen	0.8 Mio. €	SIGNAL IDUNA Sterbekasse VVaG	0.8 Mio. €
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<b>Instrument:</b>	N Senior Bonds										
<b>Status:</b>	Direct, unsecured and unsubordinated obligations of the Issuer ranking <i>pari passu</i> with all other unsecured and unsubordinated debt of the Bank (including deposit liabilities), except as otherwise prescribed by law and subject to the exercise of Canadian bank resolution powers under the CDIC Act.										
<b>Trade Date:</b>	11 February 2020										
<b>Issue Date:</b>	25 February 2020 (Settlement Date)										
<b>Maturity Date:</b>	25 February 2050										
<b>Interest:</b>	Zero.										
<b>Day Count:</b>	Actual/Actual ICMA, Unadjusted										
<b>Internal Rate of Return:</b>	1.80 per cent. per annum, compounded annually										
<b>Issue Price:</b>	58.55536 per cent										
<b>Net Proceeds:</b>	EUR 95.6 million										
<b>Redemption Amount Schedule:</b>	Upon maturity the amount in the Redemption Amount Schedule below shall be payable on the Issue Amount of the bonds that has been fully paid by the Initial										



Purchaser.

Date	Cash Amount (total)	Cash Amount (per denom)	Redemption Price
[ ]-Feb-20	55,978,924.16	58,555.36	58.55536%
[ ]-Feb-22	58,012,307.48	60,682.33	60.68233%
[ ]-Feb-23	59,056,527.16	61,774.61	61.77461%
[ ]-Feb-24	60,119,541.80	62,886.55	62.88655%
[ ]-Feb-25	61,201,695.56	64,018.51	64.01851%
[ ]-Feb-26	62,303,323.04	65,170.84	65.17084%
[ ]-Feb-27	63,424,787.52	66,343.92	66.34392%
[ ]-Feb-28	64,566,433.16	67,538.11	67.53811%
[ ]-Feb-29	65,728,623.24	68,753.79	68.75379%
[ ]-Feb-30	66,911,740.16	69,991.36	69.99136%
[ ]-Feb-31	68,116,156.76	71,251.21	71.25121%
[ ]-Feb-32	69,342,245.88	72,533.73	72.53373%
[ ]-Feb-33	70,590,399.48	73,839.33	73.83933%
[ ]-Feb-34	71,861,028.64	75,168.44	75.16844%
[ ]-Feb-35	73,154,525.32	76,521.47	76.52147%
[ ]-Feb-36	74,471,310.16	77,898.86	77.89886%
[ ]-Feb-37	75,811,794.24	79,301.04	79.30104%
[ ]-Feb-38	77,176,407.76	80,728.46	80.72846%
[ ]-Feb-39	78,565,580.92	82,181.57	82.18157%
[ ]-Feb-40	79,979,763.04	83,660.84	83.66084%
[ ]-Feb-41	81,419,393.88	85,166.73	85.16673%
[ ]-Feb-42	82,884,951.44	86,699.74	86.69974%
[ ]-Feb-43	84,376,875.48	88,260.33	88.26033%
[ ]-Feb-44	85,895,663.12	89,849.02	89.84902%
[ ]-Feb-45	87,441,782.80	91,466.30	91.46630%
[ ]-Feb-46	89,015,731.64	93,112.69	93.11269%
[ ]-Feb-47	90,618,016.32	94,788.72	94.78872%
[ ]-Feb-48	92,249,143.52	96,494.92	96.49492%
[ ]-Feb-49	93,909,629.48	98,231.83	98.23183%
[ ]-Feb-50	95,600,000.00	100,000.00	100.00000%

**Call Feature:**

Issuer has the right to call the outstanding amount of the bonds at par in whole but not in part each 25 February, from and including 25 February 2022 up to and including 25 February 2049, upon giving 5 business days notice; provided that redemption will be subject to the prior approval of the Superintendent of Financial Institutions (Canada) (the "Superintendent") if such redemption would lead to a breach of the Issuer's total loss absorbing capacity requirements.<sup>1</sup>



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<b>Business Days:</b>	London, TARGET & New York
<b>Business Day Convention:</b>	Following
<b>Denominations:</b>	EUR 100,000
<b>Governing Law:</b>	German (Ontario, Canada for provisions relating to the bail-in regime).
<b>Jurisdiction:</b>	Germany (Frankfurt am Main) (Ontario, Canada with respect to the operation of the bail-in regime).
<b>Documentation:</b>	Standalone N Bond
<b>Settlement:</b>	Bilaterally between the Issuer and the Lender(s)
<b>Assignment:</b>	Assignable – subject to restrictions
<b>Arranger:</b>	RBC Europe Limited
<b>Paying Agent, Registrar and Transfer Agent:</b>	BNY Mellon Corporate Trust

In the execution of this registered bonds (Namensschuldverschreibungen) (“N Bonds”) function RBC Europe Limited (“RBCEL”) acts purely in an arranging and introductory function between Borrower and Lender. There is no advisory function (including, but not limited to, any investment advice) involved. RBCEL has neither a role in, nor responsibility for, the bilateral N Bond transaction between these parties; RBCEL will not, and cannot, be held responsible in any form for the respective performance of the parties under the resulting N Bond transaction.

Additionally, RBCEL undertakes no underwriting responsibility in respect of this issuance and gives no undertaking to buy or sell the underlying N Bond.

This terms sheet is for informational purposes only and is strictly confidential.

The N Bonds have not been notified to, registered with or approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin) for public offer or public distribution under German law.

Accordingly, the registered bonds may not be distributed/offered to or within Germany by way of a public distribution/offer within the meaning of applicable German laws, by way of public advertisement or in any similar manner. This terms sheet and any other document relating to the offer of the N Bonds, as well as any information contained therein, may not be supplied to the public in Germany or used in connection with any offer for subscription of the registered bonds to the public in Germany or any other means of public marketing.

This terms sheet and any other document relating to the offer of the N Bonds are strictly confidential and may not be distributed to any person or entity other than the recipient hereof to whom this terms sheet is personally addressed.

The receipt of this terms sheet by any person, as well as any information contained herein or supplied herewith or subsequently communicated to any person in connection with any offer for subscription is not to be taken as constituting the giving of investment advice to such person. Each such person should make its own independent assessment of the merits or otherwise of acquiring N Bonds and should take its own professional advice.

## OFFERING INFORMATION

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**US Offering Information:** Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons except in accordance with Regulation S under the Securities Act



or pursuant to an exemption from the registration requirements of the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations.

**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 may not be offered, sold or distributed, directly or indirectly, in Canada or to or for the benefit of, any resident in Canada except under an exemption under applicable securities law

**EU Offering Information:**

The 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 which has implemented the Prospectus Directive (2003/71/EC) (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive, as implemented in the Relevant Member 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 EU or EEA member 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 Member 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 Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive 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 EU Prospectus Directive.

## SALES RESTRICTIONS AND DISCLAIMERS

**On-sales of Notes:**

In addition to the specific restrictions in relation to offers in the EEA, 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.



## 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 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.

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