



Definition of market reference rate

As of September 15th, 2023

This document applies to FX Services provided by RBC Investor Services Trust (“RBCIS”) to Customers pursuant to standing instruction mandates given by the Customer to RBCIS (“Standing Instruction Mandate FX Services”). This document is intended to supplement, and should be read in conjunction with, the RBC Investor Services Trust General Terms and Conditions for Foreign Exchange Services (the “FX GTC”). Section number references in this document refer to section numbers of the FX GTC, as amended from time to time.

Pricing for Standing Instruction Mandate FX Services is calculated by applying a spread mark-up of up to a maximum of 0.20% (the “RBCIS Mandate Fee”), on a per transaction basis, to the Market Reference Rate (described further below), unless RBCIS has entered into a written fee agreement with the Customer otherwise.

Market Reference Rate – Mature Currencies

The Market Reference Rate for Mature Currencies is the WM/Reuters (“WM/R”) intradayⁱ hourly spot or forward rate (as applicable), or where such rate is unavailable (i.e. when WM/R rates are not published or for market or operational reasons), then it is the RBCIS Market Rate (as defined below).

The RBCIS Market Rate is the FX spot or FX forward rate for the relevant currency, given by the RBCIS Market Desk, based on quotes provided by a panel of liquidity providers. Several commercial factors determine the RBCIS Market Rate including (but not limited to): prevailing market conditions; the size of the order; time of day; and the liquidity of the currencies involved.

FX Transactions in relation to Standing Instruction Mandate FX Services are aggregated and executed up to hourly, unless RBCIS has entered into a written agreement with the Customer otherwise. Standing Mandate Trade Instructions received by the RBCIS FX trading at least 30 minutes before the next hourly execution.

Market Reference Rate – Restricted Currencies

The Market Reference Rate for Restricted Currencies is the RBCIS Market Rate, subject to the proviso set out in the paragraph below.

In respect of Restricted Currencies, there may be operational, legal or regulatory restrictions that require RBCIS to deal primarily with its local agent in the relevant market. In those markets, RBCIS may obtain tradable market rate quotes exclusively from its local agent. FX Transactions in Restricted

Currencies against a non-US Dollar base currency may be executed, priced and recorded in RBCIS' books and records as two individual component transactions against the US Dollar (i.e., EURKRW may be calculated through a combination of EURUSD and USDKRW). In such circumstances, the RBCIS Mandate Fee will be applied to each individual component FX Transaction.

For Restricted Currencies, FX Transactions in relation to Standing Instruction Mandate FX Services are aggregated and may be executed at several intervals or at a single time during the trading day, unless RBCIS has entered into a written agreement with the Customer otherwise.

For minor and lower volume currency markets with limited security related FX transaction flow, RBCIS retains the right for the local agent to provide a market rate execution necessary to settle the relevant security on a security transaction by transaction basis.

This document is supplemental to the RBC Investor & Treasury Services (RBC I&TS) General Terms & Conditions for Foreign Exchange Services (FX GTC) and provided for the information of RBC I&TS clients only. Please refer to the RBC I&TS FX GTC for further details.

¹ Where the published WMR/Reuters FX spot and FX forward bid and offer market reference rates are not available, non-USD currency pair crosses may be calculated by means of triangulation through the relevant USD cross rates. E.g., EURCAD is a combination of the published EURUSD and USDCAD rates.