218411/20 - - /

In accordance with Regulation 32 of the Overseas Companies Regulations 2009.

OS AA01

Statement of details of parent law and other information for an overseas company

MONDAY

A80K9NDU
A10 04/03/2019 #237
COMPANIES HOUSE

COMPANIES HOUSE

✓ **What this form is for**
You may use this form to accompany your accounts disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form to register an alteration of manner of compliance with accounting requirements.

For further information, please refer to our guidance at www.companieshouse.gov.uk

Part 1 Corporate company name

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

Corporate name of overseas company ❶: RBC DOMINION SECURITIES INC.

UK establishment number: B R 0 0 1 2 8 6

❶ This is the name of the company in its home state

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited.

Legislation ❷: PLEASE SEE SCHEDULE A ATTACHED

❷ This means the relevant rules or legislation which regulates the preparation and, if applicable, the audit of accounts

A2 Accounting principles

Accounts: Have the accounts been prepared in accordance with a set of generally accepted accounting principles?

Please tick the appropriate box.

☐ **No.** Go to **Section A3.**

☑ **Yes.** Please enter the name of the organisation or other body which issued those principles below, and then go to **Section A3.**

Name of organisation or body ❸: Investment Industry Regulatory Organization of Canada

❸ Please insert the name of the appropriate accounting organisation or body.

A3 Accounts

Accounts: Have the accounts been audited? Please tick the appropriate box.

☐ **No.** Go to **Section A5.**

☑ **Yes.** Go to **Section A4.**

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box. ☐ **No.** Go to **Part 3 'Signature'**. ☑ **Yes.** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.	❶ Please insert the name of the appropriate accounting *organisation or body.*
Name of organisation or body ❶	Canadian generally accepted auditing standards - Refer to Sch "A"	

A5 Unaudited accounts

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box. ☐ **No.** ☑ **Yes.**

Part 3 Signature

I am signing this form on behalf of the overseas company.

Signature	Signature **X** **X**

This form may be signed by:
Director, Secretary, Permanent representative.

OS AA01

Statement of details of parent law and other information for an overseas company

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	LISA GOETZ
Company name	RBC DOMINION SECURITIES INC.
Address	200 BAY STREET, 12TH FLOOR
	ROYAL BANK PLAZA, SOUTH TOWER
Post town	TORONTO
County/Region	ONTARIO
Postcode	M 5 J 2 J 5
Country	CANADA
DX	
Telephone	416-974-1012

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

Important information

Please note that all this information will appear on the public record.

Where to send

You may return this form to any Companies House address:

England and Wales:
The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:
The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:
The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

RBC Dominion Securities Inc.
Company No. FC012504
OS AA01 - Schedule A

A1 RBC Dominion Securities Inc. (RBC DSI) is incorporated under the laws of Canada and is a member of the Investment Industry Regulatory Organization of Canada ("IIROC") and a participating institution of the Canadian Investor Protection Fund.

IIROC rules specify the form and content of the presentation and disclosure of items contained within the Statements and Schedules to Form 1 (or "the financial statements"). The basis of accounting used in these financial statements materially differs from International Financial Reporting Standards ("IFRS"), in certain key areas.

RBC DSI has obtained approval from IIROC to file a combined Form 1, which includes the results of its affiliate, RBC Direct Investing Inc. (RBC DI), in which it does not have ownership. Consequently, the accompanying financial statements represent the combined balance sheets, regulatory schedules and results of RBC DSI and RBC DI. RBC DI is also incorporated under the laws of Canada and is a member of IIROC and a participating institution of the Canadian Investor Protection Fund.

A2 Yes, IIROC rules specify the form and content of the presentation and disclosure of items contained within the Statements and Schedules to Form 1 (or "the financial statements"). The basis of accounting used in these financial statements materially differs from International Financial Reporting Standards ("IFRS"), in certain key areas.

A4 Canadian generally accepted auditing standards issued by the Canadian Institute of Chartered Accountants (CICA).

FORM 1 - TABLE OF CONTENTS

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

October 31, 2018
(Date)

Note 1: Schedules 2C, 2D, 3, 3A, 4B, 8 and 12A have been eliminated.

FORM 1 - CERTIFICATE OF UDP AND CFO

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

We have examined the attached statements and schedules and certify that, to the best of our knowledge, they present fairly the financial position and capital of the Dealer Member at October 31, 2018 and the results of operations for the period then ended, and are in agreement with the books of the Dealer Member.

We certify that the following information is true and correct to the best of our knowledge for the period from the last audit to the date of the attached statements which have been prepared in accordance with the current requirements of the Corporation:

		ANSWER
1.	Does the Dealer Member have adequate internal controls in accordance with the rules?	YES
2.	Does the Dealer Member maintain adequate books and records in accordance with the rules?	YES
3.	Does the Dealer Member monitor on a regular basis its adherence to early warning requirements in accordance with the rules?	YES
4	Does the Dealer Member carry insurance of the type and in the amount required by the rules?	YES
5.	Does the Dealer Member determine on a regular basis its free credit segregation amount and act promptly to segregate assets as appropriate in accordance with the rules?	YES
6.	Does the Dealer Member promptly segregate clients' securities in accordance with the rules?	YES
7.	Does the Dealer Member follow the minimum required policies and procedures relating to security counts?	YES
8.	Have all "concentrations of securities" been identified on Schedule 9?	YES
	Do the attached statements fully disclose all assets and liabilities including the following:	
9.	Participation in any underwriting or other agreement subject to future demands?	YES
10.	Outstanding puts, calls or other options?	YES
11.	All future purchase and sales commitments?	YES
12.	Writs issued against the Dealer Member or partners or any other litigation pending?	YES
13.	Income tax arrears?	YES
14.	Other contingent liabilities, guarantees, accommodation endorsements or commitments affecting the financial position of the Dealer Member?	YES

David Agnew, Chief Executive Officer — October 31, 2018

(Ultimate Designated Person) — (date)

(Signature)

Jonathan Yu, Chief Financial Officer — October 31, 2018

(Chief Financial Officer) — (date)

(Signature)

October 31, 2018

(other Executive, if applicable) — (date)

(Signature)

Feb-2011

Timestamp: December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1 – INDEPENDENT AUDITOR'S REPORT FOR STATEMENTS A, E AND F

To: Investment Industry Regulatory Organization of Canada and Canadian Investor Protection Fund

We have audited the accompanying Statements of

RBC Dominion Securities Inc./RBC Direct Investing ,
(Dealer Member)

which comprise of:

Statement A - Statement of financial position as at

October 31, 2018 (date) and **October 31, 2017** (date)

Statement E - Statement of income and comprehensive income for the years ended

October 31, 2018 (date) and ***October 31, 2017*** (date)

Statement F - Statement of changes in capital for the year ended **October 31, 2018** (date)
and changes in retained earnings for the years ended

October 31, 2018 (date) and **October 31, 2017** (date)

and a summary of significant accounting policies and other explanatory information. These Statements have been prepared by management based on the financial reporting provisions of the Notes and Instructions to Form 1 prescribed by the Investment Industry Regulatory Organization of Canada.

Management's responsibility for the Statements

Management is responsible for the preparation and fair presentation of these Statements in accordance with the financial reporting provisions of the Notes and Instructions to Form 1 prescribed by the Investment Industry Regulatory Organization of Canada and for such internal control as management determines is necessary to enable the preparation of Statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Dealer Member's preparation and fair presentation of the Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Dealer Member's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statements present fairly, in all material respects, the financial position of

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member)

as at **October 31, 2018** (date) and **October 31, 2017** (date) and the results of its operations for the years then ended in accordance with the financial reporting provisions of the Notes and Instructions to Form 1 prescribed by the Investment Industry Regulatory Organization of Canada.

Timestamp: **December 13, 2018 5:20 PM**
Print Date: **December 14, 2018 9:55 AM**

FORM 1 – INDEPENDENT AUDITOR'S REPORT FOR STATEMENTS A, E AND F

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 (note) to the Statements which describes the basis of accounting.

The Statements are prepared to assist

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member)

to meet the requirements of the Investment Industry Regulatory Organization of Canada. As a result, the Statements may not be suitable for another purpose. Our report is intended solely for

RBC Dominion Securities Inc./RBC Direct Investing ,
(Dealer Member)

the Investment Industry Regulatory Organization of Canada and the Canadian Investor Protection Fund and should not be used by parties other than

RBC Dominion Securities Inc./RBC Direct Investing ,
(Dealer Member)

the Investment Industry Regulatory Organization of Canada and the Canadian Investor Protection Fund.

Unaudited Information

We have not audited the information in Schedules 13 and 13A of Part II of Form 1 and accordingly do not express an opinion on these schedules.

PricewaterhouseCoopers LLP
(Audit Firm)

Chartered Professional Accountants, Licensed Public Accountants

Pricewaterhouse Coopers LLP
(signature)

December 17, 2018
(date)

Toronto, Canada
(address)

Timestamp: December 17, 2018 4:27 PM
Print Date: December 17, 2018 5:08 PM

FORM 1 – INDEPENDENT AUDITOR'S REPORT FOR STATEMENTS B, C AND D

To: Investment Industry Regulatory Organization of Canada and Canadian Investor Protection Fund

We have audited the accompanying Statements of Form 1 (the "Statements") of

RBC Dominion Securities Inc./RBC Direct Investing ,
(Dealer Member)

which comprise of:

Statement B – Statement of net allowable assets and risk adjusted capital as at

October 31, 2018 (date) and **October 31, 2017** (date)

Statement C – Statement of early warning excess and early warning reserve as at **October 31, 2018** (date)

Statement D – Statement of free credit segregation amount as at **October 31, 2018** (date)

These Statements have been prepared by management based on the financial reporting provisions of the Notes and Instructions to Form 1 prescribed by the Investment Industry Regulatory Organization of Canada.

Management's Responsibility for the Statements

Management is responsible for the preparation of the Statements of Form 1 in accordance with the financial reporting provisions of the Notes and Instructions to Form 1 prescribed by the Investment Industry Regulatory Organization of Canada, and for such internal control as management determines is necessary to enable the preparation of Statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the Statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Dealer Member's preparation of the Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Dealer Member's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis of our audit opinion.

Opinion

In our opinion, the financial information in Statement B as at **October 31, 2018** (date) and **October 31, 2017** (date), and Statements C and D as at **October 31, 2018** (date) is prepared, in all material respects, in accordance with the financial reporting provisions of the Notes and Instructions to Form 1 prescribed by the Investment Industry Regulatory Organization of Canada.

FORM 1 – INDEPENDENT AUDITOR'S REPORT FOR STATEMENTS B, C AND D

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 (note) to the Statements which describes the basis of accounting.

The Statements are prepared to assist

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member)

to meet the requirements of the Investment Industry Regulatory Organization of Canada. As a result, the Statements may not be suitable for another purpose. Our report is intended solely for

RBC Dominion Securities Inc./RBC Direct Investing ,
(Dealer Member)

the Investment Industry Regulatory Organization of Canada and the Canadian Investor Protection Fund and should not be used by parties other than

RBC Dominion Securities Inc./RBC Direct Investing ,
(Dealer Member)

the Investment Industry Regulatory Organization of Canada and the Canadian Investor Protection Fund.

PricewaterhouseCoopers LLP
(Audit Firm)

Chartered Professional Accountants, Licensed Public Accountants

PricewaterhouseCoopers LLP
(signature)

December 17, 2018
(date)

Toronto, Canada
(address)

Jan-2013

Timestamp: December 17, 2018 4:27 PM

Print Date: December 17, 2018 5:08 PM

FORM 1, PART I – STATEMENT A

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF FINANCIAL POSITION

at October 31, 2018 with comparative figures at October 31, 2017

REFERENCE			NOTES	(CURRENT YEAR) C$'000	(PREVIOUS YEAR) C$'000
LIQUID ASSETS:					
1.		Cash on deposit with *acceptable institutions*	14	709,909	637,225
2.		Funds deposited in trust for RRSP and other similar accounts	10,14	7,712,913	7,400,336
3.	Stmt. D	Cash, held in trust with *acceptable institutions*, due to free credit ratio calculation		0	0
4.		Variable base deposits and margin deposits with *acceptable clearing corporations* [cash balances only]		61,619	79,539
5.		Margin deposits with regulated entities [cash balances only]		231,152	87,607
6.	Sch.1	Loans receivable, securities borrowed and resold	3,14,15	121,419,454	87,785,745
7.	Sch.2	Securities owned - at *market value*	3,14	19,942,309	16,773,543
8.	Sch.2	Securities owned and segregated due to free credit ratio calculation		0	0
9.	Sch.4	Client accounts	3,14,15	13,068,659	9,779,584
10.	Sch.5	Brokers and dealers trading balances	14,15	2,367,855	2,506,567
11.		Receivable from carrying broker or mutual fund		0	0
12.		TOTAL LIQUID ASSETS		165,513,870	125,050,146
OTHER ALLOWABLE ASSETS (RECEIVABLES FROM ACCEPTABLE INSTITUTIONS):					
13.	Sch.6	Current income tax assets		0	0
14.		Recoverable and overpaid taxes		0	0
15.		Commissions and fees receivable		1,793	385
16.		Interest and dividends receivable		7,981	10,416
17.		Other receivables [provide details]		55,729	0
18.		TOTAL OTHER ALLOWABLE ASSETS		65,503	10,801
NON ALLOWABLE ASSETS:					
19.		Other deposits with *acceptable clearing corporations* [cash or *market value* of securities lodged]		906	867
20.		Deposits and other balances with non-*acceptable clearing corporations* [cash or *market value* of securities lodged]		0	0
21.		Commissions and fees receivable		37,621	31,345
22.		Interest and dividends receivable		100,987	66,503
23.		Deferred tax assets	8	173,845	170,667
24.		Intangible assets	6	10,808	17,714
25.		Property, plant and equipment	5	68,211	60,751
26.		Investments in subsidiaries and affiliates	10	35,956	36,338
27.		Advances to subsidiaries and affiliates	10	62,299	85,368
28.		Other assets [provide details]		134,797	97,759
29.		TOTAL NON-ALLOWABLE ASSETS		625,430	567,312
30.		Finance lease assets		0	0
31.		TOTAL ASSETS		166,204,803	125,628,259

Jan-2013

Timestamp: December 13, 2018 5:20 PM
Print Date: December 14, 2018 9:55 AM

FORM 1, PART I – STATEMENT A [Continued]

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF FINANCIAL POSITION

at October 31, 2018 with comparative figures at October 31, 2017

REFERENCE			NOTES	(CURRENT YEAR) C$'000	(PREVIOUS YEAR) C$'000
CURRENT LIABILITIES:					
51.	Sch.7	Overdrafts, loans, securities loaned and repurchases	3,14,15	89,006,592	61,471,134
52.	Sch 2	Securities sold short - at *market value*	3,14	26,743,799	25,466,499
53.	Sch.4	Client accounts	3,14,15	36,088,882	26,041,063
54.	Sch 5	Brokers and dealers	14,15	3,303,840	2,339,917
55.		Provisions		20,344	18,074
56.	Sch.6	Current income tax liabilities	14	20,619	71,272
57.		Bonuses payable		761,785	814,353
58.		Accounts payable and accrued expenses		801,535	767,043
59.		Finance leases and lease-related liabilities		5,827	5,391
60.		Other current liabilities [provide details]		4,073,873	4,059,911
61.		TOTAL CURRENT LIABILITIES		160,827,096	121,054,657
NON-CURRENT LIABILITIES:					
62.		Provisions		77,684	95,638
63.		Deferred tax liabilities		0	0
64.		Finance leases and lease-related liabilities		0	0
65.		Non-refundable leasehold inducements		360	664
66.		Other non-current liabilities [provide details]	10	500,000	0
67.		Subordinated loans	10	25,000	25,000
68.		TOTAL NON-CURRENT LIABILITIES		603,044	121,302
69.		TOTAL LIABILITIES [Line 61 plus Line 68]		161,430,140	121,175,959
CAPITAL AND RESERVES:					
70.	Stmt. F	Issued capital		647,392	647,392
71.	Stmt. F	Reserves		56,570	17,877
72.	Stmt. F	Retained earnings or undivided profits		4,070,701	3,787,031
73.		TOTAL CAPITAL		4,774,663	4,452,300
74.		TOTAL LIABILITIES AND CAPITAL		166,204,803	125,628,259

FORM 1, PART I – STATEMENT B

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

STATEMENT OF NET ALLOWABLE ASSETS AND RISK ADJUSTED CAPITAL

at October 31, 2018 with comparative figures at October 31, 2017

REFERENCE			NOTES	(CURRENT YEAR) C$'000	(PREVIOUS YEAR) C$'000
1.	A-73	Total Capital		4,774,663	4,452,300
2.	A-65	**Add:** Non-refundable leasehold inducements		360	664
3.	A-67	**Add:** Subordinated loans		25,000	25,000
4.		REGULATORY FINANCIAL STATEMENT CAPITAL		4,800,023	4,477,964
5.	A-29	**Deduct:** Total Non allowable assets		625,430	567,312
6.		NET ALLOWABLE ASSETS		4,174,593	3,910,652
7.		**Deduct:** Minimum capital		250	250
8.		SUBTOTAL		4,174,343	3,910,402
Deduct - Margin required:					
9.	Sch.1	Loans receivable, securities borrowed and resold		95,781	303,442
10.	Sch.2	Securities owned and sold short		1,214,955	1,211,941
11.	Sch.2A	Underwriting concentration		0	0
12.	Sch.4	Client accounts		153,263	55,744
13.	Sch.5	Brokers and dealers		18,277	453
14.	Sch.7	Loans and repurchases		356,976	210,394
15.		Contingent liabilities [provide details]		0	0
16.	Sch.10	Financial institution bond deductible [greatest under any clause]		3,500	3,500
17.	Sch.11	Unhedged foreign currencies		1,888	1,847
18.	Sch.12	Futures contracts		0	0
19.	Sch.14	Provider of capital concentration charge		599,940	224,129
20.		Securities held at non-*acceptable securities locations*		2,436	3,139
21.	Sch.7A	Acceptable counterparties financing activities concentration charge		0	0
22.		Unresolved differences [provide details]		15,223	14,768
23.		Other [provide details]		1,000	1,000
24.		TOTAL MARGIN REQUIRED [Lines 9 to 23]		2,463,239	2,030,357
25.		SUBTOTAL [Line 8 less Line 24]		1,711,104	1,880,045
26.	Sch.6A	**Add:** Applicable tax recoveries		505,193	404,325
27.		Risk Adjusted Capital before securities concentration charge [Line 25 plus Line 26]		2,216,297	2,284,370
28.	Sch 9	**Deduct:** Securities concentration charge of 0			
	Sch.6A	less tax recoveries of 0		0	0
29.		RISK ADJUSTED CAPITAL [Line 27 less Line 28]		2,216,297	2,284,370

Jan-2013

Timestamp: December 13, 2018 5:20 PM
Print Date: December 14, 2018 9:55 AM

FORM 1, PART I – STATEMENT B SUPPLEMENTAL

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

Statement B – Line 22: Details of Unresolved Differences

	Reconciled as at Report Date (Yes/No)	Number of Items	Debit/Short value (Potential Losses)	Number of Items	Credit/Long value (Potential Gains)	Required to margin
(a) Clearing	YES	0	0	0	0	0
(b) Brokers and dealers	YES	12	31	18	2	31
(c) Bank accounts	YES	1	7	0	0	7
(d) Intercompany accounts	YES	0	0	0	0	0
(e) Mutual Funds	YES	67	1,372	76	923	1,747
(f) Security Counts	YES	0	0	0	0	0
(g) Other unreconciled differences	YES	171	57,125	0	0	13,438
TOTAL						15,223

Statement B, Line 22

FORM 1, PART I – STATEMENT C

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF EARLY WARNING EXCESS AND EARLY WARNING RESERVE

at October 31, 2018

REFERENCE			NOTES	(CURRENT YEAR) C$'000
1.	B-29	RISK ADJUSTED CAPITAL		2,216,297
LIQUIDITY ITEMS -				
		DEDUCT:		
2.	A-18	Other allowable assets		65,503
3.	Sch.6A	Tax recoveries		505,193
4.		Securities held at non-*acceptable securities locations*		244
		ADD:		
5.	A-68	Non-current liabilities		603,044
6.	A-67	Less: Subordinated loans		25,000
7.	A-65	Less: Non-refundable leasehold inducements		360
8.	A-64	Less: Finance leases and lease-related liabilities		0
9.		Adjusted non-current liabilities for Early Warning purposes		577,684
10.	Sch.6A	Tax recoveries - income accruals		10,563
11.		EARLY WARNING EXCESS		2,233,604
		DEDUCT: CAPITAL CUSHION -		
12.	B-24	Total margin required $ 2,463,239 multiplied by 5%		123,162
13.		EARLY WARNING RESERVE [Line 11 less Line 12]		2,110,442

Jul-2013

Timestamp. December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART I – STATEMENT D

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF FREE CREDIT SEGREGATION AMOUNT

at October 31, 2018

REFERENCE			NOTES	(CURRENT YEAR) C$'000
A.		**AMOUNT REQUIRED TO SEGREGATE BASED ON GENERAL FREE CREDIT LIMIT**		
		General client free credit limit		
1.	C-13	Early warning reserve of $ 2,110,442 multiplied by 12 [Report NIL if amount is negative]		25,325,304
		Less client free credit balances:		
2.	Sch.4	Dealer Member's own [see note]		9,596,408
3.		Carried For Type 3 Introducers		0
4.		**Total client free credit balances** [Section A, Line 2 plus Section A, Line 3]		9,596,408
5.		**AMOUNT REQUIRED TO SEGREGATE BASED ON GENERAL CLIENT FREE CREDIT LIMIT** [Section A, Line 4 minus Section A, Line 1, report NIL if result is negative; see note]		0
B.		**AMOUNT REQUIRED TO SEGREGATE BASED ON MARGIN LENDING ADJUSTED CLIENT FREE CREDIT LIMIT**		
		Client free credit limit for margin lending purposes		
1.	C-13	Early warning reserve of $ 2,110,442 multiplied by 20 [Report NIL if amount is negative]		42,208,840
		Less client free credit balances used to finance client margin loans:		
2.		Total settlement date client margin debit balances		2,833,932
3.		Total client free credit balances [Include amount from Section A, Line 4 above]		9,596,408
4.		**Subtotal - Client free credit balances used to finance client margin loans** [Lesser of Section B, Line 2 and Section B, Line 3]		2,833,932
5.		**Amount required to segregate relating to margin lending** [Section B, Line 4 minus Section B, Line 1; report NIL if result is negative]		0
		Free credit limit for all other purposes		
6.	C-13	Early warning reserve [Report NIL if amount is negative]		2,110,442
7.		Total settlement date client margin debit balances divided by 20		141,697
8.		**Portion of early warning reserve available to support all other uses of client free credits** [Section B, Line 6 minus Section B, Line 7, report NIL if result is negative]		1,968,745
9.		**Client free credit limit for all other purposes** [Section B, Line 8 multiplied by 12]		23,624,940
10.		**Client free credits not used to finance margin loans** [Section A, Line 4 minus Section B, Line 4]		6,762,476
11.		**Amount required to segregate relating to all other purposes** [Section B, Line 10 minus Section B, Line 9, report NIL if result is negative]		0
12.		**AMOUNT REQUIRED TO SEGREGATE BASED ON MARGIN LENDING ADJUSTED CLIENT FREE CREDIT LIMIT** [Section B, Line 5 plus Section B, Line 11]		0
C.		**AMOUNT REQUIRED TO SEGREGATE**		
1.		Amount required to segregate based on general client free credit limit [Section A, Line 5]		0
2.		Amount required to segregate based on margin lending adjusted client free credit limit [Section B, Line 12]		0
3.		**AMOUNT REQUIRED TO SEGREGATE** [Lesser of Section C, Line 1 and Section C, Line 2 if Section B completed; otherwise Section C, Line 1]		0

FORM 1, PART I – STATEMENT D [Continued]

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF FREE CREDIT SEGREGATION AMOUNT

at October 31, 2018

REFERENCE			NOTES	(CURRENT YEAR) C$'000
D. AMOUNT IN SEGREGATION				
1.	A-3	Client funds held in trust in an account with an *acceptable institution* [see note]		0
2.	Sch.2	Market value of securities owned and in segregation [see note]		0
3.		**AMOUNT IN SEGREGATION** [Section D, Line 1 plus Section D, Line 2]		0
4.		**NET SEGREGATION EXCESS (DEFICIENCY)** [Section D, Line 3 minus Section C, Line 3, see note]		0

FORM 1, PART I – STATEMENT E

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF INCOME AND COMPREHENSIVE INCOME

at October 31, 2018 with comparative figures at October 31, 2017

REFERENCE		NOTES	(CURRENT YEAR / MONTH) C$'000	(PREVIOUS YEAR / MONTH) C$'000
COMMISSION REVENUE				
1.	Listed Canadian securities		270,806	257,927
2.	Other securities		208,532	190,887
3.	Mutual funds		300,983	316,146
4.	Listed Canadian options		1,711	855
5.	Other listed options		897	461
6.	Listed Canadian futures		18,116	17,178
7.	Other futures		0	0
8.	OTC derivatives		0	0
PRINCIPAL REVENUE				
9.	Listed Canadian options and related underlying securities		(4,962)	2,390
10.	Other Equities and options		1,166,504	(1,476,606)
11.	Debt		280,102	(260,475)
12.	Money market		94,398	49,947
13.	Futures		4,380	(137,893)
14.	OTC derivatives		(1,332,463)	2,169,370
CORPORATE FINANCE REVENUE				
15.	New issues – equity		143,673	206,502
16.	New issues – debt		176,031	169,171
17.	Corporate advisory fees		133,076	156,373
OTHER REVENUE				
18.	Interest	2,12	2,059,086	499,199
19.	Fees	2	1,912,041	1,578,370
20.	Other [provide details]		139,473	117,738
21.	TOTAL REVENUE		5,572,384	3,857,540
EXPENSES				
22.	Variable compensation		1,168,911	1,064,703
23.	Commissions and fees paid to third parties		63,011	57,079
24.	Bad debt expense		459	1,550
25.	Interest expense on subordinated debt		0	0
26.	Financing cost	2,12	1,514,613	142,023
27.	Corporate finance cost		5,479	8,349
28.	Unusual items [provide details]		0	0
29.	Pre-tax profit (loss) for the period from discontinued operations		0	0
30.	Operating expenses		1,221,556	1,163,902
31.	**Profit [loss] for Early Warning test**		1,598,355	1,419,934

Jan-2013

Timestamp: December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART I – STATEMENT E [Continued]

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF INCOME AND COMPREHENSIVE INCOME

at October 31, 2018 with comparative figures at October 31, 2017

REFERENCE			NOTES	(CURRENT YEAR / MONTH)	(PREVIOUS YEAR / MONTH)
32.		Income – Asset revaluation		0	0
33.		Expense – Asset revaluation		0	0
34.		Interest expense on internal subordinated debt		475	335
35.		Bonuses		278,066	283,754
36.		**Net income/(loss) before income tax**		1,319,814	1,135,845
37.	S-6(5)	Income tax expense (recovery), including taxes on profit (loss) from discontinued operations	8,12	396,144	341,836
38.		PROFIT [LOSS] FOR PERIOD		923,670 F-11	794,009
Other comprehensive income					
39.		Gain (loss) arising on revaluation of properties		0 F-5a	0
40.		Actuarial gain (loss) on defined benefit pension plans		38,693 F-5b	51,524
41		Other comprehensive income for the period, net of tax [Lines 39 plus 40]		38,693	51,524
42.		**Total comprehensive income for the period** [Lines 38 plus 41]		962,363	845,533

Jan-2013

Timestamp: December 13, 2018 5:20 PM

Print Date. December 14, 2018 9:55 AM

FORM 1, PART I – STATEMENT F

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF CHANGES IN CAPITAL AND RETAINED EARNINGS (CORPORATIONS) OR UNDIVIDED PROFITS (PARTNERSHIPS)

at October 31, 2018

A. CHANGES IN ISSUED CAPITAL

		NOTES	SHARE CAPITAL OR PARTNERSHIP CAPITAL [a] C$'000	SHARE PREMIUM [b] C$'000	ISSUED CAPITAL [c] = [a] + [b] C$'000
1.	Beginning balance		647,392	0	647,392
2.	Increases (decreases) during the period [provide details]				
	(a)		0	0	0
	(b)		0	0	0
	(c)		0	0	0
3.	Ending balance		647,392	0	647,392
					A-70

B. CHANGES IN RESERVES

		NOTES	GENERAL [a] C$'000	PROPERTIES REVALUATION [b] C$'000	EMPLOYEE BENEFITS [c] C$'000	EMPLOYEE DEFINED BENEFIT PENSION [d] C$'000	TOTAL RESERVES [e] = [a] + [b] + [c] + [d] C$'000
4.	Beginning balance		0	0	0	17,877	17,877
5.	Changes during the period						
	(a) Other comprehensive income for the year – properties revaluation		0	0	0	0	0
				E-39			
	(b) Other comprehensive income for the year – actuarial gain (loss) on defined benefit pension plans		0	0	0	38,693	38,693
						E-40	

FORM 1, PART I – STATEMENT F [Continued]

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

STATEMENT OF CHANGES IN CAPITAL AND RETAINED EARNINGS (CORPORATIONS) OR UNDIVIDED PROFITS (PARTNERSHIPS)

at October 31, 2018

	NOTES	GENERAL [a] C$'000	PROPERTIES REVALUATION [b] C$'000	EMPLOYEE BENEFITS [c] C$'000	EMPLOYEE DEFINED BENEFIT PENSION [d] C$'000	TOTAL RESERVES [e] = [a] + [b] + [c] + [d] C$'000
(c) Recognition of share-based payments		0	0	0 E-30	0	0
(d) Transfer from/to retained earnings		0 F-12	0	0	0	0
(e) Other [provide details]		0	0	0	0	0
6. Endng balance		0	0	0	56,570	56,570 A-71

C. CHANGES IN RETAINED EARNINGS

		NOTES	RETAINED EARNINGS (CURRENT YEAR) C$'000	RETAINED EARNINGS (PREVIOUS YEAR) C$'000
7.	Beginning balance		3,787,031	3,818,022
8.	Effect of change in accounting policy [provide details]			
	(a)		N/A	0
	(b)		N/A	0
9.	As restated		N/A	3,818,022
10.	*Payment of dividends or partners drawings*		(640,000)	(825,000)
11.	Profit or loss for the year		923,670 E-38	794,009
12.	Other direct charges or credits to retained earnings [provide details]			
	(a)		0	0
	(b)		0	0
	(c)		0	0
13.	Ending balance		4,070,701 A-72	3,787,031

Timestamp: December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART I – NOTES

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

NOTES TO THE FORM 1 FINANCIAL STATEMENTS

at October 31, 2018

1. GENERAL INFORMATION

RBC Dominion Securities Inc. ("DSI") is a wholly owned subsidiary of RBC Dominion Securities Ltd., which is a wholly owned subsidiary of Royal Bank of Canada ("RBC"). DSI is a registered securities dealer and is engaged in principal transactions, agency transactions, investment banking and investment advisory businesses.

RBC Direct Investing Inc. ("DII") is a retail discount brokerage operating under the trade name of Direct Investing, which offers its services through various delivery channels in Canada. DII is an indirectly wholly owned subsidiary of RBC.

DSI and DII (collectively referred to as the "Company") are incorporated under the laws of Canada and are members of the Investment Industry Regulatory Organization of Canada ("IIROC") and participating institutions of the Canadian Investor Protection Fund ("CIPF"). The Company's corporate headquarters are located at 200 Bay Street, 9th Floor, South Tower, Toronto, Ontario, M5V 2J5.

IIROC rules specify the form and content of the presentation and disclosure of items contained within the Statements and Schedules to Form 1 (or "the financial statements").

Form 1 was authorized for issue by the Board of Directors on December 17, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES and JUDGEMENTS

I. IIROC Requirements

The non-consolidated combined financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the prescribed reporting requirements contained within the rules of IIROC, which requires the use of International Financial Reporting Standards ("IFRS") unless otherwise modified by IIROC as summarized below. Except where otherwise noted, the same accounting policies have been applied to all periods presented.

The "market value of securities" as defined by IIROC is not a term contemplated under IFRS. For the purposes of these notes, the use of the term fair value is equivalent to market value.

The following are Form 1 departures from IFRS as prescribed by IIROC:

a) DSI has obtained approval from IIROC to file a combined Form 1, which includes the results of its affiliate, DII, in which it does not have ownership. Consequently, the accompanying financial statements represent the combined balance sheets, regulatory schedules and results of operations for the Company (after the elimination of intercompany receivable and payable balances), which is not contemplated under IFRS.

b) As prescribed by Form 1, a statement of cash flows has not been presented.

c) Statements A and E present assets, liabilities, revenues and expenses in accordance with classification required by IIROC, which requires the presentation of liquid assets, other allowable assets and non-allowable assets, which are not terms defined under IFRS. Certain items are presented net on Statement A or E which would not be presented net under IFRS. Statements B, C, D and F are prepared in a form prescribed by IIROC and in accordance with the applicable instructions contained within its rules. These are not statements contemplated under IFRS. In addition, specific balances may be classified or presented on Statement A, E, and F in a manner that differs from IFRS requirements.

d) For client and broker balances, IIROC allows the netting of receivables from and payables to the same counterparty. The Company records net client receivable/payables of the same client in an account having pending trades with different settlement dates.

e) Subordinated loans must be reported at face value. Discounting of subordinated loans is not permitted.

($000's)

The following are Form 1 prescribed accounting treatments based on available IFRS alternatives:

a) Securities owned and sold short must be categorized as held-for-trading financial instruments, and marked-to-market.

b) The Company's subsidiaries, which are wholly owned, are accounted for using the cost method. The significant direct and indirect subsidiaries are as follows.

RBC Capital Markets Real Estate Group Inc.	RBC Wealth Management Financial Services Inc.
RBC Capital Markets Realty Inc.	RBC Securities Australia Pty Limited
RBC Dominion Securities Global Limited	RBC Brasil Participacoes Ltda (1)
RBC Investment Services (Asia) Limited	RBC Asesorias Limitada (1)

(1) Operations have been wound down and The Company is in the process of liquidating and closing these entities down

II. General

Use of estimates and assumptions

In preparing the financial statements, management is required to make subjective estimates and assumptions that affect the reported amount of assets, liabilities, net income and related disclosures. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key sources of estimation uncertainty include: determination of fair value of financial instruments, derecognition of financial assets, pensions and other post-employment benefits, income taxes, carrying value of intangible assets and litigation provisions. Accordingly, actual results may differ from these and other estimates thereby impacting the future financial statements. Refer to the relevant accounting policies in this Note for details on the use of estimates and assumptions.

Significant judgments

In preparation of these financial statements, management is required to make significant judgments that affect the carrying amounts of certain assets and liabilities, and the reported amounts of revenues and expenses recorded during *the period. Significant judgments have been made in the following areas: fair value of financial instruments, derecognition* of financial assets, pensions and post-retirement benefits, income taxes and litigation provisions. Refer to the relevant accounting policies in this Note for details on the Company's significant judgments.

Trade-date accounting

The Company accounts for all transactions and recognizes assets and liabilities on a trade-date basis.

Reclassification and amendments

During fiscal 2018, as clarified and prescribed by IIROC, the Company amended the classification of the following lines on Statement E. Comparative amounts have not been restated to conform to the presentation adopted in the current year. The following table includes the amounts that were amended and presented in Statement E for fiscal 2018, as well as the amounts related to fiscal 2017, had these amounts been restated.

Statement E	2018	2017
	Increase / (Decrease)	
Line E18 – Interest	$ 1,341,235	$ 649,954
Line E19 – Fees	$ 86,217	$ 76,718
Line E26 – Financing Cost	$ 1,427,452	$ 726,672

III. Significant Accounting Policies

a) **Functional and presentation currency**

These financial statements are presented in Canadian dollars, which is the Company's functional currency. Except as otherwise indicated, financial information presented in Canadian dollars has been rounded to the nearest thousand.

b) ***Financial Instruments***

Changes in accounting policies
During fiscal 2018, the Company adopted IFRS 9 *Financial Instruments* (IFRS 9). As a result of the application of IFRS 9, certain accounting policies were changed as indicated below, and these new policies were applicable from November 1, 2017. As permitted by the transition provisions of IFRS 9, the Company elected not to restate comparative period results; accordingly, all comparative period information is presented in accordance with its previous accounting policies, as indicated below. No adjustments to carrying amounts of financial assets and liabilities at the date of initial application (November 1, 2017) were recognized in opening Retained Earnings and Other Comprehensive Income in the current period, as these amounts were not material. New or amended disclosures have been provided for the current period, where applicable, and comparative period disclosures are consistent with those made in the prior year.

Policies applicable beginning November 1, 2017 (IFRS 9)

Classification of financial assets (IFRS 9)
Financial assets are measured at initial recognition at fair value, and are classified and subsequently measured at fair value through profit or loss (FVTPL), or amortized cost based on the business model for managing the financial instruments and the contractual cash flow characteristics of the instrument.

Debt instruments are measured at amortized cost if both of the following conditions are met and the asset is not designated as FVTPL: (a) the asset is held within a business model that is Held-to-Collect (HTC) as described below, and (b) the contractual terms of the instrument give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

All other debt instruments are measured at FVTPL.

Equity instruments are measured at FVTPL.

Business model assessment
Business models are determined at the level that best reflects how the Company manages portfolios of financial assets to achieve its business objectives. Judgment is used in determining these business models, which is supported by relevant, objective evidence including:

- How the economic activities of the businesses generate benefits, for example through trading revenue, enhancing yields or hedging funding or other costs and how such economic activities are evaluated and reported to key management personnel;
- The significant risks affecting the performance of the businesses, for example, market risk, credit risk, or other risks, and the activities undertaken to manage those risks;
- Historical and future expectations of sales of the loans or securities portfolios managed as part of a business model; and
- The compensation structures for managers of the businesses, to the extent that these are directly linked to the economic performance of the business model. The Company's business models fall into three categories, which are indicative of the key strategies used to generate returns:
  - HTC: The objective of this business model is to hold loans and securities to collect contractual principal and interest cash flows. Sales are incidental to this objective and are expected to be insignificant or infrequent.

- Held to Collect & Sell (HTC&S): Both collecting contractual cash flows and sales are integral to achieving the objective of the business model.
- Other fair value business models: These business models are neither HTC nor HTC&S, and primarily represent business models where assets are held for trading or managed on a fair value basis.

SPPI assessment
Instruments held within a HTC or HTC&S business model are assessed to evaluate if their contractual cash flows are comprised of solely payments of principal and interest. SPPI payments are those which would typically be expected from basic lending arrangements. Principal amounts include par repayments from lending and financing arrangements, and interest primarily relates to basic lending returns, including compensation for credit risk and the time value of money associated with the principal amount outstanding over a period of time. Interest can also include other basic lending risks and costs (for example, liquidity risk, servicing or administrative costs) associated with holding the financial asset for a period of time, and a profit margin.

Where the contractual terms introduce exposure to risk or variability of cash flows that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Securities (IFRS 9)
Trading securities include all securities that are classified as FVTPL in accordance with the Form 1 prescribed accounting treatment based on available IFRS alternatives. Obligations to deliver trading securities sold but not yet purchased are recorded as liabilities and carried at fair value. Realized and unrealized gains and losses on these securities are recorded as Principal Revenue on Statement E. Dividends and interest income accruing on trading securities are recorded in Principal Revenue. Interest and dividends accrued on interest-bearing and equity securities sold short are recorded in Financing Costs and Principal Revenue respectively.

The Company accounts for all securities using trade date accounting and changes in fair value between the trade date and settlement date are reflected in income for securities measured at FVTPL.

Fair value option (IFRS 9)
Financial liabilities with a reliably measurable fair value can be designated as FVTPL (the fair value option) on its initial recognition even if the financial instrument was not incurred principally for the purpose of selling or repurchasing. The fair value option can be elected for financial liabilities if: (i) the election eliminates an accounting mismatch; (ii) the financial liability is part of a portfolio that is managed on a fair value basis, in accordance with a documented risk management or investment strategy; or (iii) there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. These instruments cannot be reclassified out of the FVTPL category while they are held or issued.

Financial liabilities designated as at FVTPL are recorded at fair value and any unrealized gain or loss arising due to changes in fair value is included in Principal Revenue. To determine the fair value adjustments on debt designated as at FVTPL, the present value of the instruments is calculated based on the contractual cash flows over the term of the arrangement by using the effective funding rate at the beginning and end of the period with the change in present value recorded in Principal Revenue.

Loans (IFRS 9)
Loans are debt instruments recognized initially at fair value and are subsequently measured in accordance with the Classification of financial assets policy provided above. Loans are carried at amortized cost using the effective interest method, which represents the gross carrying amount less allowance for credit losses.

Interest on loans is recognized in interest income using the effective interest method. The estimated future cash flows used in this calculation include those determined by the contractual term of the asset and all fees that are considered to be integral to the effective interest rate.

For loans carried at amortized cost, impairment losses are recognized in accordance with an expected credit loss impairment model.

Assets purchased under reverse repurchase agreements and sold under repurchase agreements (IFRS 9)
The Company purchases securities under agreements to resell (reverse repurchase agreement) and takes possession of these securities. Reverse repurchase agreements are treated as collateralized lending transactions whereby the Company monitors the market value of the securities purchased and additional collateral is obtained when appropriate. The Company has the right to liquidate the collateral held in the event of counterparty default. The Company also sells securities under agreements to repurchase (repurchase agreements), which are treated as collateralized borrowing transactions. The securities received under reverse repurchase agreements and securities delivered under repurchase agreements are not recognized on, or derecognized from, Statement A respectively, unless the risks and rewards of ownership are obtained or relinquished.

Certain reverse repurchase agreements classified as FVTPL and repurchase agreements designated as FVTPL are managed and recorded at fair value. Certain agreements were determined to be classified under a HTC business model, and are held at amortized cost. Interest earned on reverse repurchase agreements is recorded and included in interest income, and interest incurred on repurchase agreements is recorded and included in financing cost on Statement E. Changes in fair value for reverse repurchase agreements and repurchase agreements are included in Principal Revenue.

Allowance for credit losses (IFRS 9)
An allowance for credit losses (ACL) is established for all financial assets, except for financial assets classified as FVTPL, which are not subject to impairment assessment. Assets subject to impairment assessment include certain loans, reverse repurchase agreements, interest-bearing deposits with banks, and accounts and accrued interest receivable. *Financial assets at amortized cost are presented net of ACL on Statement A.*

ACL on each Statement A date is measured according to an expected credit loss impairment model.

Policies applicable prior to November 1, 2017 (IAS 39)

Securities (IAS 39)
Securities are classified at inception, based on management's intention, as at fair value through profit and loss (FVTPL) or designated as FVTPL using the fair value option.

Trading securities include securities purchased for sale in the near term which are classified as at FVTPL by nature and securities designated as at FVTPL under the fair value option. Obligations to deliver trading securities sold but not yet purchased are recorded as liabilities and carried at fair value. Realized and unrealized gains and losses on these securities are recorded as Principal Revenue on Statement E. Interest income accruing on Trading securities is recorded in Principal Revenue, and interest expense accrued on securities sold short are recorded in Financing costs. Dividends accrued are recorded in Principal Revenue.

The Company's investments in subsidiaries are recorded at cost in the financial statements as required by IIROC. At each reporting date, and more frequently when conditions warrant, the Company evaluates these investments to determine whether there is any objective evidence of impairment. In assessing whether there is any objective evidence that suggests that they are impaired, the Company considers factors which include the length of time and extent the fair value has been below cost, along with management's assessment of the financial condition, business and other risks of the issuer. If an investment is impaired, the difference between the cost/amortized cost and current fair value less any impairment loss previously recognized is recognized as an impairment loss in net income.

Fair value option (IAS 39)
A financial instrument can be designated as at FVTPL (the fair value option) on its initial recognition even if the financial instrument was not acquired or incurred principally for the purpose of selling or repurchasing it in the near term. An instrument that is designated as at FVTPL by way of this fair value option must have a reliably measurable fair value and satisfy one of the following criteria: (i) it eliminates or significantly reduces a measurement or recognition inconsistency

that would otherwise arise from measuring assets or liabilities, or recognizing gains and losses on them on a different basis (an accounting mismatch); (ii) it belongs to a group of financial assets or financial liabilities or both that are managed, evaluated, and reported to key management personnel on a fair value basis in accordance with the Company's risk management strategy, and the Company can demonstrate that significant financial risks are eliminated or significantly reduced; or (iii) there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. These instruments cannot be reclassified out of the FVTPL category while they are held or issued.

Financial assets designated as at FVTPL are recorded at fair value and any unrealized gain or loss arising due to changes in fair value is included in Principal Revenue. Financial liabilities designated as at FVTPL are recorded at fair value and fair value changes are recorded in Principal Revenue.

To determine the fair value adjustments on the Company's financial liabilities designated as at FVTPL, the Company calculates the present value of the instruments based on the contractual cash flows over the term of the arrangement by using the effective funding rate at the beginning and end of the period with the change in present value recorded in Principal Revenue.

Loans and receivables (IAS 39)
Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans are initially recognized at fair value. When loans are issued at a market rate, fair value is represented by the cash advanced to the borrowers. Loans are subsequently measured at amortized cost using the effective interest method less impairment.

The Company assesses at each reporting date whether there is objective evidence that the loans are impaired. Evidence of impairment may include indications that the borrower is experiencing significant financial difficulty, probability of bankruptcy or other financial reorganization, as well as a measurable decrease in the estimated future cash flows evidenced by the adverse changes in the payments status of the borrower or economic conditions that correlate with defaults.

Assets purchased under reverse repurchase agreements and sold under repurchase agreements (IAS 39)
The Company purchases securities under agreements to resell (reverse repurchase agreement) and takes possession of these securities. Reverse repurchase agreements are treated as collateralized lending transactions whereby the Company monitors the market value of the securities purchased and additional collateral is obtained when appropriate. The Company has the right to liquidate the collateral held in the event of counterparty default. The Company also sells securities under agreements to repurchase (repurchase agreements), which are treated as collateralized borrowing transactions. The securities received under reverse repurchase agreements and securities delivered under repurchase agreements are not recognized on, or derecognized from, Statement A respectively, unless the risks and rewards of ownership are obtained or relinquished.

Policies under both IFRS 9 and IAS 39

Determination of fair value (IFRS 9 and IAS 39)
The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company determines fair value by incorporating all factors that market participants would consider in setting a price, including commonly accepted valuation approaches.

The Company has established policies, procedures and controls for valuation methodologies and techniques to ensure fair value is reasonably estimated. Major valuation processes and controls include, but are not limited to, profit and loss decomposition, independent price verification (IPV) and model validation standards. These control processes are managed by either Finance or RBC Group Risk Management and are independent of the relevant businesses and their trading functions. Profit and loss decomposition is a process to explain the fair value changes of certain positions and is performed daily for trading portfolios. All fair value instruments are subject to IPV, a process whereby trading function valuations are verified against external market prices and other relevant market data. Market data sources include traded prices, brokers and price vendors. Priority is given to those third-party pricing services and prices having the highest and most consistent accuracy. The level of accuracy is developed over time by comparing third-party price values to traders' or system values, to other pricing service values and, when available, to actual trade data. Other valuation techniques are used when a price or quote is not available. Some valuation processes use models to determine fair value. The Company has a systematic and consistent approach to control model use. Valuation models are approved for use within the Company's model risk management framework. The framework addresses, among other things, model development standards, validation processes and procedures, and approval authorities. Model validation ensures that a model is suitable for its intended use and to set parameters for its use. All models are revalidated regularly.

Valuation adjustments are recorded to appropriately reflect counterparty credit quality of the Company's derivative portfolio, unrealized gains or losses at inception of the transaction, bid-offer spreads and unobservable parameters. These adjustments may be subjective as they require significant judgment in the input selection, such as probability of default and recovery rate, and are intended to arrive at fair value that is determined based on assumptions that market participants would use in pricing the financial instrument. The realized price for a transaction may be different from its recorded value that is previously estimated using management judgment, and may therefore impact unrealized gains and losses recognized in Principal Revenue.

Where required, a valuation adjustment is made to reflect the unrealized gain or loss at inception of a financial instrument contract where the fair value of that financial instrument is not obtained from a quoted market price or cannot be evidenced by other observable market transactions based on a valuation technique incorporating observable market data.

A bid-offer valuation adjustment is required when a financial instrument is valued at the mid-market price, instead of the bid or offer price for asset or liability positions, respectively. The valuation adjustment takes into account the spread from the mid to either the bid or offer price.

Some valuation models require parameter calibration from such factors as market observed option prices. The calibration of parameters may be sensitive to factors such as the choice of instruments or optimization methodology. A valuation adjustment is also estimated to mitigate the uncertainties of parameter calibration.

In determining fair value, a hierarchy is used which prioritizes the inputs to valuation techniques. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Determination of fair value based on this hierarchy requires the use of observable market data whenever available. Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that have the ability to access at the measurement date. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model inputs that are either observable, or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 3 inputs are one or more inputs that are unobservable and significant to the fair value of the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available at the measurement date. The availability of inputs for valuation may affect the selection of valuation techniques. The classification of a financial instrument in the hierarchy for disclosure purposes is based upon the lowest level of input that is significant to the measurement of fair value.

Where observable prices or inputs are not available, management judgment is required to determine fair values by assessing other relevant sources of information such as historical data, proxy information from similar transactions, and through extrapolation and interpolation techniques. For more complex or illiquid instruments, significant judgment is required in the determination of the model used, the selection of model inputs, and in some cases the application of valuation adjustments to the model value or quoted price for inactively traded financial instruments, as the selection of model inputs may be subjective and the inputs may be unobservable. Unobservable inputs are inherently uncertain as there is little or no market data available from which to determine the level at which the transaction would occur under normal business circumstances. Appropriate parameter uncertainty and market risk valuation adjustments for such inputs and other model risk valuation adjustments are assessed in all such instances.

Transaction costs (IFRS 9 and IAS 39)
Transaction costs are expensed as incurred for financial instruments classified or designated as at FVTPL. For other financial instruments, transaction costs are capitalized on initial recognition, and are amortized through net income over the estimated life of the instrument.

Offsetting financial assets and financial liabilities (IFRS 9 and IAS 39)
Financial assets and financial liabilities other than client and broker balances are offset on Statement A when there exists both a legally enforceable right to offset the recognized amounts and an ability and intention to settle on a net basis, or realize the asset and settle the liability simultaneously. For client and broker balances, trades posted to the same client account which have not settled by the reporting date are presented on a net basis, as described in Note 2 section I above.

Securities borrowed and loaned (IFRS 9 and IAS 39)
Securities borrowed and securities loaned are collateralized by either negotiable securities or cash. In the case of cash, it is carried at the amounts of cash collateral advanced and received in connection with the transactions as specified in the respective agreements. These agreements are held at amortized cost and interest is accrued over the term of the borrowing or lending activity and reported in interest income and financing cost respectively on Statement E.

Derivatives (IFRS 9 and IAS 39)
Derivative instruments are recorded on the Company's Statement A at fair value, including those derivatives that are embedded in financial or non-financial contracts that are not closely related to the host contracts. Changes in the fair value of derivative instruments are recognized in net income. Derivative financial instruments include futures, forwards, swaps and option contracts whose value is derived from interest rates, foreign exchange rates, equity and commodity prices or other financial indices. These derivative instruments are either exchange traded (futures and options) or over-the-counter (swaps, forwards and options). The Company's derivatives trading results from client driven and economic hedging activities, and are valued at prevailing market rates. Changes in the fair value of derivatives used to manage the exposures in economic hedge relationships are offset against the relevant economically hedged expensed item. Quoted market prices, where available, are used as the basis to determine the fair value of derivatives as at FVTPL. If quoted market prices are not available, then fair values are estimated on the basis of pricing models, quoted prices of instruments with similar characteristics, or discounted cash flows. Where appropriate, a valuation adjustment is made to cover market, model and credit risks. Fair value of derivative instruments are recorded in securities owned or securities sold short, as appropriate. Resulting realized and unrealized gains and losses are included in Principal Revenue.

Derecognition of financial assets (IFRS 9 and IAS 39)
Financial assets are derecognized from the Company's Statement A when the Company's contractual rights to the cash flows from the assets have expired, when the Company retains the rights to receive the cash flows of the assets but assume an obligation to pay those cash flows to a third party subject to certain pass-through requirements, or when the Company transfers its contractual rights to receive the cash flows and substantially all of the risks and rewards of the assets have been transferred. When the Company neither retains nor transfers substantially all the risks and rewards of ownership of the assets, it derecognizes the assets if control over the assets is relinquished. If the Company retains control over the transferred assets, the Company continues to recognize the transferred assets to the extent of the Company's continuing involvement.
Management's judgment is applied in determining whether the contractual rights to the cash flows from the transferred assets have expired or whether the rights are retained to receive cash flows on the assets but assume an obligation to pay for those cash flows. The Company derecognizes transferred financial assets if the Company transfers substantially all the risk and rewards of the ownership in the assets. When assessing whether the Company has transferred substantially all of the risk and rewards of the transferred assets, management considers the entity exposure before and after the transfer with the variability in the amount and timing of the net cash flows of the transferred assets. In transfers that the Company retains the servicing rights, management has applied judgment in assessing the benefits of servicing against market expectations. When the benefits of servicing are greater than fair market value, a servicing asset is recognized in Other Assets in Statement A. When the benefits of servicing are less than fair market value, a servicing liability is recognized in Other Liabilities in Statement A.

Derecognition of financial liabilities (IFRS 9 and IAS 39)
Financial liabilities are derecognized from the Company's Statement A when the Company's obligation specified in the contract expires, or is discharged or cancelled. The Company recognizes the difference between the carrying amount of a financial liability transferred and the consideration paid in net income.

c) **Revenue**

Commissions and fees
Portfolio management fees are recognized based on the applicable service contracts. Fees related to provision of services including asset management, wealth management, financial planning and custody services that cover a specified service period, are recognized over the period in which the service is provided. Investment management and custodial fees are generally calculated as a percentage of daily or period-end net asset values, and are received monthly, quarterly, semi-annually or annually, depending on the terms of the contracts. Management fees are generally derived from assets under management (AUM) when our clients solicit the investment capabilities of an investment manager, and administrative fees are derived from assets under administration (AUA) where the investment strategy is directed by the client or a designated third party manager. Performance-based fees, which are earned upon exceeding certain benchmarks or performance targets, are recognized only when the benchmark or performance targets are achieved. Brokerage commissions that are related to the provision of specific transaction type services are recognized when the service has been completed.

When service fees and other costs are incurred in relation to commission and fees earned and the Company is principal to such arrangements, they are recorded on a gross basis in either Commissions and Fees paid to Third Parties (Line E23) or Operating Expenses (Line E30), as applicable.

Principal revenue
Principal revenue includes realized and unrealized gains or losses, interest income and dividends from trading securities. Interest is recognized for all interest-bearing financial instruments using the effective interest method. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial asset or liability to the net carrying amount upon initial recognition. Dividend income is recognized when the right to receive payment is established. This is the ex-dividend date for listed equity securities, and usually the date when shareholders have approved the dividend for unlisted equity securities.

Corporate finance revenues
New issue fees include gains, losses, and fees arising from securities offerings in which the Company acts as the underwriter or agent and are booked at the time the underwriting is substantially completed and the income is reasonably determinable.

Corporate advisory fees include fees earned from providing merger-and-acquisition (M&A) and financial restructuring advisory services and are recognized when the service has been substantially completed.

d) **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at rates prevailing at the balance sheet date. Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars at historical rates. Revenue and expenses denominated in foreign currencies are translated to Canadian dollars at the rate in effect on the date of the transaction. Foreign exchange gains and losses are reported in Other Revenue in Statement E.

e) **Capital assets**

Capital assets include property and equipment, and are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets. Gains and losses on disposal of assets are reported in Other Revenue in Statement E.

f) **Intangible assets**

Capitalized computer software is carried at cost and depreciated on a straight-line basis over the estimated useful life of the assets, which are three to five years.

Customer lists are amortized using the straight-line method over their estimated useful life up to 15 years. The Company reviews the amortization period and method for intangible assets with a finite useful life at least annually. If the expected useful life of the asset is different from previous estimates, then the amortization period is changed accordingly.

In addition, the Company reviews the carrying value of amortizable intangible assets and assesses for indicators of impairment at least annually. If there is an indication that an intangible asset may be impaired, an impairment test is performed by comparing the carrying amount of the intangible asset to its recoverable amount.

An impairment loss recognized previously is reversed if there is a change in the estimates used to determine the recoverable amount of the asset since the last impairment loss was recognized. If an impairment loss is subsequently reversed, the carrying amount of the asset is revised to the lower of its recoverable amount and the carrying amount that would have been determined (net of amortization) had there been no prior impairment. Significant judgment is required in determining the useful lives and recoverable amounts of the Company's intangible assets, and assessing whether certain events or circumstances constitute objective evidence of impairment.

g) **Pensions and other post-employment benefits**

The Company's defined benefit pension expense, which is included in Operating Expense in Statement E, consists of the cost of employee pension benefits for current year service, net interest on the net defined benefit liability (asset), past service cost and gains or losses on settlement. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in OCI in the period in which they occur. Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred), as well as the effects of changes in actuarial assumptions. Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment or curtailment and is charged immediately to income.

For each defined benefit plan, the Company recognizes the present value of the Company's defined benefit obligations less the fair value of the plan assets as a defined benefit liability reported in Provisions on Statement A. For plans where there is a net defined benefit asset, the amount is reported as an asset in Other Assets on Statement A.

The calculation of defined benefit expenses and obligations requires significant judgment as the recognition is dependent on discount rates and various actuarial assumptions such as healthcare cost trend rates, projected salary increases, retirement age, and mortality and termination rates. Due to the long-term nature of these plans, such estimates and assumptions are subject to inherent risks and uncertainties. For pension and other post-employment plans, the discount rate is determined by reference to market yields on high quality corporate bonds. Since the discount rate is based on currently available yields, and involves management's assessment of market liquidity, it is only a proxy for future yields. Actuarial assumptions, set in accordance with current practices in Canada, may differ from actual experience as statistics are only an estimate for future employee behaviour. These assumptions are determined by management and are reviewed by actuaries at least annually. Changes to any of the above assumptions may affect the amounts of benefits obligations and remeasurements that the Company recognizes.

The Company's contributions to defined contribution plans are expensed when employees have rendered services in exchange for such contributions, generally in the year of contribution. Defined contribution plan expense is included in Operating Expenses in Statement E.

h) **Income taxes**

Income tax comprises current tax and deferred tax and is recognized on the Company's Statement E except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax payable on profits is recognized as an expense based on the applicable tax laws in each jurisdiction in the period in which profits arise, calculated using tax rates enacted or substantively enacted by the balance sheet date. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for accounting purposes compared with tax purposes. Deferred tax assets and liabilities are determined based on the tax rates that are expected to be in effect in the period that the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred income taxes accumulate as a result of temporary differences and tax loss carry forwards. On a quarterly basis, the Company reviews its deferred income tax assets to determine whether it is probable that the benefits associated with these assets will be realized. This review involves evaluating both positive and negative evidence.

The Company is subject to income tax laws in various jurisdictions where it operates, and the complex tax laws are potentially subject to different interpretations by the Company and the relevant taxation authority. Significant judgment is required in the interpretation of the relevant tax laws and in estimating the provision for current and deferred income taxes due to uncertainty in timing and amount of taxable income and in the design and ability to implement tax planning strategies.

i) **Share-based compensation**

The Company offers an RBC share-based compensation plan to certain key employees, including performance deferred share plans and deferred share unit plans (the Plans). The obligations for the Plans are accrued over their vesting periods. The Plans are settled in cash and the accrued obligations are adjusted to their fair value at each balance sheet date. Changes in the Company's obligations, net of related hedges, are recorded as Operating Expenses in Statement E with a corresponding increase in Bonuses Payable in Statement A. The compensation cost attributable to awards granted to employees who are eligible to retire or will become eligible to retire during the vesting period, is recognized immediately if the employee is eligible to retire on the grant date or over the period between the grant date and the date the employee becomes eligible to retire. The Company's contributions to the employee savings and share ownership plans are expensed as incurred.

j) **Provisions**

Provisions are liabilities of uncertain timing or amount and are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured as the best estimate of the consideration required to settle the present obligation less accumulated amortization at the reporting date. Significant judgment is required in determining whether a present obligation exists and in estimating the probability, timing and amount of any outflows. The Company records provisions related to litigation, asset retirement obligations, and other items. Provisions are recorded under Provisions on Statement A. The Company is required to estimate the results of ongoing legal proceedings, expenses to be incurred to dispose of capital assets, and credit losses on undrawn commitments and guarantees. The forward-looking nature of these estimates requires the Company to use a significant amount of judgment in projecting the timing and amount of future cash flows. The Company records the provisions on the basis of all available information at the end of the reporting period and makes adjustments on an annual basis to reflect current expectations. Should actual results differ from the Company's expectations, the Company may incur expenses in excess of the provisions recognized. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, such as an insurer, a separate asset is recognized if it is virtually certain that reimbursement will be received.

IV. Future Accounting Changes

The Company is currently assessing the impact to the financial statements of adopting the following standards:

IFRS 15 *Revenue from Contracts with Customers* (IFRS 15)
In May 2014, the IASB issued IFRS 15 which establishes principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The standard provides a single, principles-based five-step model for revenue recognition to be applied to contracts with customers except for revenue arising from items such as financial instruments. In April 2016, the IASB issued amendments to IFRS 15, which clarifies the underlying principles of IFRS 15 and provides additional transitional relief on initial application. IFRS 15 and its amendments will be effective for the Company on November 1, 2018. The adoption of IFRS 15 will not have a material impact on the financial statements.

IFRS 16 *Leases* (IFRS 16)
In January 2016, the IASB issued IFRS 16, which sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard removed the current requirement for lessees to classify leases as finance leases or operating leases by introducing a single lessee accounting model that requires the recognition of lease assets and lease liabilities on the balance sheet for most leases. Lessees will also recognize depreciation expense on the lease asset and interest expense on the lease liability in net income. IFRS 16 will be effective for the Company on November 1, 2019. The Company is currently assessing the impact of this standard on the financial statements.

Conceptual framework for financial reporting
In March 2018, the International Accounting Standards Board issued its revised Conceptual Framework for Financial Reporting (Conceptual Framework). This replaces the previous version of the Conceptual Framework issued in 2010. The revised Conceptual Framework will be effective on November 1, 2020. The Company is currently assessing the impact of adopting this standard on the Financial Statements.

($000's)

3. FINANCIAL INSTRUMENTS

a) Fair value of financial instruments

i) Carrying value and fair value of selected financial instruments

The following tables provide a comparison of the carrying and fair values for each classification of financial instruments.

	October 31, 2018					
	Carrying Value and fair value of:		Carrying value:	Fair value:		
	Financial Instruments Classified as at FVTPL	Financial Instruments designated as at FVTPL	Financial Instruments measured at amortized cost	Financial Instruments measured at amortized cost	Total carrying amount	Total fair value
Financial Assets						
Securities owned (including Derivatives)	$ 19,942,309	$ -	$ -	$ -	$ 19,942,309	$ 19,942,309
Loans receivable, securities borrowed and reverse repurchases	93,815,479	-	27,603,975	27,603,975	$ 121,419,454	$ 121,419,454
Client accounts	-	-	*13,068,659*	*13,068,659*	$ *13,068,659*	$ *13,068,659*
Other Assets (1)	-	-	11,428,696	11,428,696	$ 11,428,696	$ 11,428,696
	$ 113,757,788	$ -	$ 52,101,330	$ 52,101,330	$ 165,859,118	$ 165,859,118
Financial Liabilities						
Securities sold short (including Derivatives)	$ 26,743,799	$ -	$ -	$ -	$ 26,743,799	$ 26,743,799
Loans payable, securities loaned and repurchases	-	86,433,081	2,573,511	2,573,511	$ 89,006,592	$ 89,006,592
Client accounts	-	-	36,088,882	36,088,882	$ 36,088,882	$ 36,088,882
Other Liabilities (1)	-	-	9,372,904	9,372,904	$ 9,372,904	$ 9,372,904
	$ 26,743,799	$ 86,433,081	$ 48,035,297	$ 48,035,297	$ 161,212,177	$ 161,212,177

($000's)

	October 31, 2017					
	Carrying Value and fair value of:		Carrying value:	Fair value:		
	Financial instruments Classified as at FVTPL	Financial instruments designated as at FVTPL	Financial instruments measured at amortized cost	Financial instruments measured at amortized cost	Total carrying amount	Total fair value
Financial Assets						
Securities owned (including Derivatives)	$ 16,613,376	$ 160,167	$ -	$ -	$ 16,773,543	$ 16,773,543
Loans receivable, securities borrowed and reverse repurchases	-	66,299,786	21,485,959	21,485,959	$ 87,785,745	$ 87,785,745
Client accounts	-	-	9,779,584	9,779,584	$ 9,779,584	$ 9,779,584
Other Assets (1)	-	-	10,974,237	10,974,237	$ 10,974,237	$ 10,974,237
	$ 16,613,376	$ 66,459,953	$ 42,239,780	$ 42,239,780	$ 125,313,109	$ 125,313,109
Financial Liabilities						
Securities sold short (including Derivatives)	$ 25,466,499	$ -	$	$ -	$ 25,466,499	$ 25,466,499
Loans payable, securities loaned and repurchases	-	59,727,882	1,743,252	1,743,252	$ 61,471,134	$ 61,471,134
Client accounts	-	-	26,041,063	26,041,063	$ 26,041,063	$ 26,041,063
Other Liabilities (1)	-	-	7,924,306	7,924,306	$ 7,924,306	$ 7,924,306
	$ 25,466,499	$ 59,727,882	$ 35,708,621	$ 35,708,621	$ 120,903,002	$ 120,903,002

(1) Comparative amounts have been restated to conform with the presentation adopted in the current year

ii) a) Loans and receivables designated as at fair value through profit or loss

The following table presents information on loans and receivables designated as at FVTPL and the maximum exposure to credit risk as at October 31, 2018 and October 31, 2017. Starting November 1, 2017, the Company no longer has any financial assets designated as at FVTPL. Previously, the Company measured the change in the fair value of loans and receivables designated as at FVTPL due to changes in credit risk as the difference between the total change in the fair value of the instrument during the period and the change in fair value calculated using the appropriate risk-free yield curves.

	As at			
	October 31, 2018		October 31, 2017	
Loans and receivable designated as at FVTPL	Carrying amount of loans and receivables designated as at FVTPL	Maximum exposure to credit risk	Carrying amount of loans and receivables designated as at FVTPL	Maximum exposure to credit risk
Loans receivable, securities borrowed and reverse repurchases	$ -	$ -	$ 66,299,786	$ 66,299,786
Total	$ -	$ -	$ 66,299,786	$ 66,299,786

($000's)

ii) b) Loans and receivables classified as at fair value through profit or loss

The following table presents information on loans and receivables classified as at FVTPL and the maximum exposure to credit risk as at October 31, 2018 and October 31, 2017. This is newly implemented starting November 1, 2017, which replaced the change in the fair value of loans and receivables designated as at FVTPL:

	As at			
	October 31, 2018		October 31, 2017	
Loans and receivable classified as at FVTPL	Carrying amount of loans and receivables classified as at FVTPL	Maximum exposure to credit risk	Carrying amount of loans and receivables classified as at FVTPL	Maximum exposure to credit risk
Loans receivable, securities borrowed and reverse repurchases	$ 93,815,479	$ 93,815,479	$ -	$ -
Total	$ 93,815,479	$ 93,815,479	$ -	$ -

iii) Liabilities designated as at fair value through profit or loss

The following tables present the changes in the fair value of the Company's financial liabilities designated as at FVTPL using the fair value option as well as their contractual maturity and carrying amounts. In order to determine the change during a year in the fair value of a financial liability that has been designated as at FVTPL, the Company calculates the present value of the instrument's contractual cash flows using rates as at the beginning of the year using an observed discount rate. The Company then compares the difference between those values to the difference between the same calculations using rates at the end of the period.

	October 31, 2018					
Liabilities designated as at FVTPL	Contractual maturity amount	Carrying amount	Difference between carrying amount and contractual maturity amount	Changes in the fair value for the year ended attributable to changes in credit risk included in net income for positions still held	Changes in the fair value for the year ended attributable to changes in credit risk included in other comprehensive income for positions still held	Cumulative change in fair value attributable to changes in credit risk for positions still held
Obligations related to assets sold under repurchase agreements and securities loaned	$ 86,446,194	$ 86,433,081	$ 13,113	$ -	$ -	$ -

	October 31, 2017					
Liabilities designated as at FVTPL	Contractual maturity amount	Carrying amount	Difference between carrying amount and contractual maturity amount	Changes in the fair value for the year ended attributable to changes in credit risk included in net income for positions still held	Changes in the fair value for the year ended attributable to changes in credit risk included in other comprehensive income for positions still held	Cumulative change in fair value attributable to changes in credit risk for positions still held
Obligations related to assets sold under repurchase agreements and securities loaned	$ 59,731,556	$ 59,727,882	$ 3,674	$ -	$ -	$ -

($000's)

iv) Net gains (losses) from financial instruments held at fair value through profit or loss

Financial instruments held at FVTPL, which includes primarily trading securities, derivatives, trading liabilities as well as financial assets and liabilities designated as at FVTPL, are measured at fair value with realized and unrealized gains and losses recognized in Principal Revenue.

		2018		2017
Net gains (losses)				
Classified as at fair value through profit or loss	$	207,627	$	**332,009**
Designated as at fair value through profit or loss		332		**14,724**
	$	207,959	$	**346,733**
By product line				
Interest rate and credit	$	374,500	$	**(210,528)**
Equities		1,161,542		**(1,474,216)**
Foreign exchange and other		(1,328,083)		**2,031,477**
	$	207,959	$	**346,733**

v) Fair value of assets and liabilities measured on a recurring basis and classified using the fair value hierarchy

The following tables present the financial instruments that are measured at fair value on a recurring basis and classified by the fair value hierarchy.

October 31, 2018	Fair value measurements using			Assets / Liabilities
	Level 1	Level 2	Level 3	at fair value
Assets				
Securities				
Trading				
Canadian government debt				
Federal	$ 5,394,746	$ 1,462,763	$ -	$ 6,857,509
Provincial and municipal	-	5,267,611	-	5,267,611
U S government debt	-	1,660,277	-	1,660,277
Other OECD government debt	-	3,058	-	3,058
Asset-backed securities	-	133,968	-	133,968
Corporate debt and other debt	-	4,140,329	9,011	4,149,340
Equities	1,088,399	174,382	47,028	1,309,809
Derivatives	351,582	209,053	102	560,737
	$ 6,834,727	$ 13,051,441	$ 56,141	$ 19,942,309
Loans receivable, securities borrowed and reverse repurchases	$ -	$ 93,815,479	$ -	$ 93,815,479
	$ -	$ 93,815,479	$ -	$ 93,815,479
Liabilities				
Obligations related to securities sold short	$ 19,143,104	$ 5,695,987	$ -	$ 24,839,091
Obligations related to assets under repurchase agreements and securities loaned	-	86,433,081	-	86,433,081
Derivatives	40,509	1,835,383	28,816	1,904,708
	$ 19,183,613	$ 93,964,451	$ 28,816	$ 113,176,880

($000's)

October 31, 2017	Fair value measurements using			Assets / Liabilities at fair value
	Level 1	Level 2	Level 3	
Assets				
Securities				
Trading				
Canadian government debt				
Federal	$ 4,559,785	$ 1,361,578	$ -	$ 5,921,363
– Provincial and municipal	-	4,633,145	-	4,633,145
U.S. government debt	18,387	19,484	-	37,871
Other OECD government debt		812	-	812
Asset-backed securities	-	163,438	-	163,438
Corporate debt and other debt	-	3,468,099	3,488	3,471,587
Equities	939,659	181,226	48,321	1,169,206
Derivatives	120,369	1,247,501	8,251	1,376,121
	$ 5,638,200	$ 11,075,283	$ 60,060	$ 16,773,543
Loans receivable, securities borrowed and reverse repurchases	$ -	$ 66,299,786	$ -	$ 66,299,786
	$ -	$ 66,299,786	$ -	$ 66,299,786
Liabilities				
Obligations related to securities sold short	$ 19,267,856	$ 5,788,820	$ 3	$ 25,056,679
Obligations related to assets under repurchase agreements and securities loaned	-	59,727,882	-	59,727,882
Derivatives	46,487	362,811	522	409,820
	$ 19,314,343	$ 65,879,513	$ 525	$ 85,194,381

The following describes how fair values are determined, what inputs are used and where they are classified in the fair value *hierarchy table above, for significant assets and liabilities that are measured at fair value on a recurring basis:*

Government bonds (Canadian, U.S. and other OECD governments)
Government bonds are included in Canadian government debt, U.S. government debt, Other OECD government debt and obligations related to securities sold short in the fair value hierarchy table. The fair values of government issued or guaranteed debt securities in active markets are determined by reference to recent transaction prices, broker quotes, or third-party vendor prices and is classified as Level 1 in the fair value hierarchy. The fair values of securities that are not traded in active markets are based on either security prices, or valuation techniques using implied yields and risk spreads derived from prices of actively traded and similar government securities. Securities with observable prices or rate inputs as compared to transaction prices, dealer quotes or vendor prices are classified as Level 2 in the hierarchy. Securities where inputs are unobservable are classified as Level 3 in the hierarchy.

Corporate and other debt
The fair value of corporate and other debt is determined using the most recently executed transaction prices, broker quotes, pricing services and discounted cash flow valuation models using inputs such as benchmark yields (Canadian Dealer Offered Rate, LIBOR and other similar reference rates) and credit spreads. Securities with observable prices or rate inputs as compared to transaction prices, dealer quotes or vendor prices are classified as Level 2 in the hierarchy. Securities where significant inputs are unobservable are classified as Level 3 in the hierarchy.

Asset-backed securities ("ABS")
Asset-backed Securities are primarily Collateralized Loan Obligations. Inputs for valuation are, when available, traded prices, dealer or lead manager quotes, broker quotes and vendor prices of the identical securities. When prices of the identical securities are not readily available, the Company uses industry standard models with inputs such as discount margins, yields, default, prepayment and loss severity rates that are implied from transaction prices, dealer quotes or vendor prices of comparable instruments. Where security prices and inputs are observable, ABS are classified as Level 2 in the hierarchy. Otherwise, they are classified as Level 3 in the hierarchy.

Equities and obligations related to securities sold short

Equities and obligations related to securities sold short in the fair value hierarchy table consist of listed and unlisted common shares, private equities and hedge funds with certain redemption restrictions. The fair values of common shares are based on quoted prices in active markets, where available, and are classified as Level 1 in the hierarchy. Where quoted prices in active markets are not readily available, fair value is determined based on quoted market prices for similar securities or through valuation techniques, including multiples of earnings and discounted cash flow method with forecasted cash flows and discount rate as inputs. Private equities are classified as Level 3 in the hierarchy as their inputs are not observable.

Derivatives

The fair values of exchange-traded derivatives, such as interest rate and equity options and futures, are based on quoted market prices and are classified as Level 1 in the fair value hierarchy. OTC derivatives primarily consist of interest rate and cross currency swaps, interest rate options, foreign exchange forward contracts, and commodity options and swaps. The fair values of OTC derivatives are determined using valuation models when quoted market prices or third-party consensus pricing information are not available. The valuation models, such as discounted cash flow method or Black-Scholes option model, incorporate observable or unobservable inputs for interest and foreign exchange rates, equity and commodity prices (including indices), credit spreads, corresponding market volatility levels, and other market-based pricing factors. As previously discussed in Note 2, other adjustments to fair value include bid-offer, parameter and model uncertainties, and unrealized gain or loss at inception of a transaction. A derivative instrument is classified as Level 2 in the hierarchy if observable market inputs are available or the unobservable inputs are not significant to the fair value. Otherwise, it is classified as Level 3 in the hierarchy.

Securities borrowed or purchased under resale agreements and securities lent or sold under repurchase agreements

In the fair value hierarchy table, these instruments are included in assets purchased under reverse repurchase agreements and securities borrowed, and Obligations related to assets sold under repurchase agreements and securities loaned. Fair value for these contracts is calculated using valuation techniques such as discounted cash flow method using interest rate curves as inputs. They are classified as Level 2 instruments in the hierarchy as the inputs are observable.

($000's)

vi) **Quantitative information about fair value measurements using significant unobservable inputs (Level 3 Instruments)**

The following tables present fair values of the Company's significant Level 3 financial instruments, valuation techniques used to determine their fair values, ranges and weighted averages of unobservable inputs.

As at October 31, 2018 (Thousands of Canadian dollars, except for prices, percentages and ratios)								
		Fair value				Range of input values (1)		
Products	**Reporting line in the fair value *hierarchy table***	**Assets**	**Liabilities**	**Valuation *techniques***	**Significant unobservable inputs (1)**	**Low**	**High**	**Weighted average / Inputs**
Non-derivative financial instruments								
Corporate debt				Price-based	Prices	$ 72.00	$ 123.06	$ 103.84
	Corporate debt and other debt	$ 9,011	$ -	Discounted cash flows	Credit spread	0.90 %	11.30 %	4.50 %
	Obligations related to securities sold short	-	-		Credit enhancement	11.80 %	15.80 %	13.10 %
Private equities								
	Equities	47,028	-					
				Market comparable	EV/EBITDA multiples	6.16 X	17.80 X	14.46 X
				Price-based	P/E multiples	9.10 X	26.41 X	18.26 X
				Discounted cash flows	EV/Rev multiples	0.90 X	6.63 X	4.86 X
					Liquidity discounts	10.00 %	40.00 %	18.27 %
					Discount rate	10.52 %	10.52 %	10.52 %
Derivative financial instruments								
Equity derivatives and equity-linked structured notes				Discounted cash flows	Dividend yields	0.30 %	8.40 %	Lower
				Option pricing model	Equity (EQ)-EQ correlations	(55.00) %	100.00 %	Middle
	Derivative-related assets	102	-					
	Derivative-related liabilities	-	28,816		EQ-FX correlations	(71.40) %	30.50 %	Middle
					EQ Volatilities	8.00 %	164.00 %	Lower
Total		$ 56,141	$ 28,816					

($000's)

As at October 31, 2017 (Thousands of Canadian dollars, except for prices, percentages and ratios)								
		Fair value				Range of input values (1)		
Products	Reporting line in the fair value hierarchy table	Assets	Liabilities	Valuation techniques	Significant unobservable inputs (1)	Low	High	Weighted average / Inputs
Non-derivative financial instruments								
Corporate debt				Price-based	Prices	$ 20.00	$ 119.30	$ 113.77
	Corporate debt and other debt	$ 3,488	$ -	Discounted cash flows	Credit spread	1.11 %	11.59 %	6.35 %
	Obligations related to securities sold short	-	3		Credit enhancement	12.82 %	17.10 %	14.16 %
Private equities								
	Equities	48,321	-					
				Market comparable	EV/EBITDA multiples	9.30 X	16.60 X	13.32 X
				Price-based	P/E multiples	4.80 X	27.40 X	19.42 X
				Discounted cash flows	EV/Rev multiples	1.50 X	9.51 X	5.75 X
					Liquidity discounts	15.00 %	40.00 %	25.24 %
					Discount rate	11.00 %	11.00 %	11.00 %
Derivative financial instruments								
Equity derivatives and equity-linked structured notes				Discounted cash flows	Dividend yields	0.02 %	10.49 %	Lower
				Option pricing model	Equity (EQ)-EQ correlations	15.00 %	97.34 %	Middle
	Derivative-related assets	8,251	-					
	Derivative-related liabilities	-	522		EQ-FX correlations	(70.00) %	39.10 %	Middle
					EQ Volatilities	3.00 %	110.00 %	Lower
Total		$ 60,060	$ 525					

(1) The low and high input values represent the actual highest and lowest level inputs used to value a group of financial instruments in a particular product category These input ranges do not reflect the level of input uncertainty, but are affected by the different underlying instruments within the product category The input ranges will therefore vary from period to period based on the characteristics of the underlying instruments held at each balance sheet date The weighted averages are not presented in the table as they would not provide a comparable metric; instead, distribution of significant unobservable inputs within the range for each product category is indicated in the table

vii) Sensitivity to unobservable inputs and interrelationships between unobservable inputs

Funding spread
Funding spreads are credit spreads specific to the Company's funding or deposit rates. A decrease in funding spreads, on its own, will increase fair value of the liabilities, and vice versa.

Volatility rates
Volatility measures the potential variability of future prices and is often measured as the standard deviation of price movements. Volatility is an input to option pricing models used to value derivatives and issued structured notes. Volatility is used in valuing equity, interest rate, commodity and foreign exchange options. A higher volatility rate means that the underlying price or rate movements are more likely to occur. Higher volatility rates may increase or decrease an option's fair value depending on the option's terms. The determination of volatility rates is dependent on various factors, including but not limited to, the underlying's market price, the strike price and maturity.

($000's)

Dividend yields
A dividend yield is the underlying equity's expected dividends expressed as an annualized percentage of its price. Dividend yield is used as an input for forward equity price and option models. Higher dividend yields will decrease the forward price, and vice versa. A higher dividend yield will increase or decrease an option's value, depending on the option's terms.

Correlation rates
Correlation is the linear relationship between the movements in two different variables. Correlation is an input to the valuation of derivative contracts and issued structured notes when an instrument's payout is determined by correlated variables. When variables are positively correlated, an increase in one variable will result in an increase in the other variable. When variables are negatively correlated, an increase in one variable will result in a decrease in the other variable. The referenced variables can be within a single asset class or market (equity, interest rate, commodities, credit and foreign exchange) or between variables in different asset classes (equity to foreign exchange, or interest rate to foreign exchange, etc.). Changes in correlation will either increase or decrease a financial instrument's fair value depending on the terms of its contractual payout.

viii) **Changes in fair value measurement for instruments measured on a recurring basis and categorized in Level 3**

The following tables present the changes in fair value measurements on a recurring basis for instruments included in Level 3 of the fair value hierarchy.

	For the year ended October 31, 2018									
	Fair value, November 1, 2017	Total realized/ *unrealized* gains (losses) included in earnings (1)	Purchases of assets / issuances of liabilities	Sales of Assets / settlements of liabilities and other (2)	Transfers into Level 3 (1)	Transfers out of Level 3 (1)	FX on P&L	FX on FV	Fair value, October 31, 2018	Changes in unrealized gains (losses) included in earnings for assets and liabilities for the year ended October 31, 2018 for positions still held
Assets										
Securities										
Trading										
Asset-backed securities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Corporate debt and other debt	3,488	808	34,934	(29,412)	16	(787)	-	(36)	9,011	210
Equities	48,321	118	19,328	(13,820)	6	(6,920)	-	(5)	47,028	(108)
Derivatives	8,251	(8,514)	367	(2)	-	-	-	(0)	102	(8,172)
	$ 60,060	$ (7,588)	$ 54,629	$ (43,234)	$ 22	$ (7,707)	$ -	$ (41)	$ 56,141	$ (8,070)
Liabilities										
Other										
Obligations related to Securities Sold Short	(3)	0	-	-	-	3	-	-	-	-
Derivatives	(322)	(28,426)	41,874	(42,221)	(66)	533	-	12	(28,816)	(28,797)
	$ (325)	$ (28,426)	$ 41,874	$ (42,221)	$ (66)	$ 536	$ -	$ 12	$ (28,816)	$ (28,797)

	For the year ended October 31, 2017									
	Fair value, November 1, 2016	Total realized/unrealized gains (losses) included in earnings (1)	Purchases of assets/issuances of liabilities	Sales of assets/settlements of liabilities and other (2)	Transfers into Level 3 (1)	Transfers out of Level 3 (1)	[illegible]	[illegible]	[illegible]	[illegible]
Assets										
Securities										
Trading										
[illegible]	$ [illegible]	$ 5	$ -	$ [illegible]	$ -	$ -	$ -	$ -	$ [illegible]	-
[illegible]	[illegible]	(2,277)	[illegible]	[illegible]	[illegible]	[illegible]	-	-	[illegible]	[illegible]
[illegible]	-	[illegible]	482	-	[illegible]	-	-	-	[illegible]	[illegible]
Derivatives	2	[illegible]	[illegible]	[illegible]	-	-	-	-	[illegible]	[illegible]
	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ -	$ -	$ [illegible]	$ [illegible]
Liabilities										
Other										
Obligations related to Securities Sold Short	-	-	-	(3)	-	-	-	-	[illegible]	-
Derivatives	[illegible]	273	[illegible]	[illegible]	-	324	[illegible]	[illegible]	[illegible]	[illegible]
	$ [illegible]	$ 273	$ [illegible]	$ [illegible]	$ -	$ 324	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]

(1) Transfers in and out of Level 3 are assumed to occur at the end of the period. For an asset or liability that transfers into Level 3 during the period, the entire change in fair value for the period is excluded from the "Total realized/unrealized gains/(losses) included in earnings" column of the reconciliation, whereas for transfers out of Level 3 during the period, the entire change in fair value for the period is included in the said column of the reconciliation.
(2) Other includes amortization of premiums or discounts in net income

ix) **Positive and negative fair value movement of Level 3 financial instruments from using reasonable possible assumptions**

A financial instrument is classified as Level 3 in the fair value hierarchy if one or more of its unobservable inputs may significantly affect the measurement of the fair value. In preparing the financial statements, appropriate levels for these unobservable input parameters are chosen so that they are consistent with prevailing market evidence or management judgment. Due to the unobservable nature of the prices or rates, there may be uncertainty about the valuation of these Level 3 financial instruments.

($000's)

The following table summarizes the impact to fair values of Level 3 financial instruments using reasonably possible alternative assumptions. This sensitivity disclosure is intended to illustrate the potential impact of the relative uncertainty in the fair value of Level 3 financial instruments. In reporting the sensitivities below, the Company has considered offsetting balances in instances when: (i) the move in valuation factor caused an offsetting positive and negative fair value movement, (ii) both offsetting instruments are in Level 3, and (iii) when exposures are managed and reported on a net basis. With respect to overall sensitivity, it is unlikely in practice that all reasonably possible alternative assumptions would be simultaneously realized.

2018				Level 3 fair value	Positive fair value movement using reasonable possible values	Negative fair value movement using reasonable possible values
Assets						
	Securities					
		Trading				
			Corporate debt and other debt	$ 9,011	$ 190	$ (190)
			Equities	47,028	24	(24)
		Derivatives		102	11	(11)
				$ 56,141	$ 225	$ (225)
Liabilities						
	Obligations related to Securities Sold Short			-	-	-
	Derivatives			28,816	1,134	(1,134)
				$ 28,816	$ 1,134	$ (1,134)

2017				Level 3 fair value	Positive fair value movement using reasonable possible values	Negative fair value movement using reasonable possible values
Assets						
	Securities					
		Trading				
			Corporate debt and other debt	$ 3,488	$ 25	$ (25)
			Equities	48,321	13,144	(7,160)
		Derivatives		8,251	5,514	(5,514)
				$ 60,060	$ 18,683	$ (12,699)
Liabilities						
	Obligations related to Securities Sold Short			(3)	-	-
	Derivatives			(522)	257	(257)
				$ (525)	$ 257	$ (257)

x) **Sensitivity results**

As at October 31, 2018, the effects of applying other reasonably possible alternative assumptions to the Level 3 asset positions would be an increase of $225 and a reduction of $225 in fair value. The effects of applying these assumptions to the Level 3 liabilities positions would result in an increase of $1,134 and a decrease of $1,134 in fair value.

($000's)

xi) Level 3 valuation inputs and approaches to developing reasonably possible alternative assumptions

The following is a summary of the unobservable inputs of the Level 3 instruments and the approaches to develop reasonably possible alternative assumptions used to determine sensitivity.

Financial assets or liabilities	Sensitivity methodology
Asset backed securities, corporate debt and government debt	The positive and negative sensitivities are determined based on plus or minus one standard deviation of the bid-offer spreads or input prices if a sufficient number of prices is received, or using high and low vendor prices as reasonably possible alternative assumptions.
Private equities, hedge fund investments and related equity derivatives	Sensitivity of direct private equity investments is determined by (i) adjusting the discount rate by 2% when the discounted cash flow method is used to determine fair value, (ii) adjusting the price multiples based on the range of multiples of comparable companies when price-based models are used, or (iii) using an alternative valuation approach. Net asset values of the private equity funds, hedge funds and related equity derivatives are provided by the fund managers, and as a result, there are no other reasonably possible alternative assumptions for these investments.
Equity derivatives	Sensitivity of the Level 3 position will be determined by shifting the unobservable model inputs by plus or minus one standard deviation of the pricing service market data including volatility, dividends or correlations, as applicable.
Structured notes	Sensitivities for interest-rate-linked and equity-linked structured notes are derived by adjusting inputs by plus or minus one standard deviation, and for other deposits, by estimating a reasonable move in the funding curve by plus or minus certain basis points.

xii) Fair value for financial instruments that are carried at amortized cost and classified using the fair value hierarchy

The following tables present fair values of financial assets and liabilities that are carried at amortized cost and classified by the fair value hierarchy.

	As at October 31, 2018 (1)					
	Fair value approximates carrying value	Fair value may not approximate carrying value Fair value hierarchy				
		Level 1	Level 2	Level 3	Total	Total Fair Value
Loans receivable, securities borrowed and reverse repurchases	$ 27,603,975	-	-	-	-	$ 27,603,975
Clients' accounts and Brokers and dealers trading balances	15,436,514	-	-	-	-	15,436,514
Other assets	9,060,841	-	-	-	-	9,060,841
Loans payable, securities loaned and repurchases	2,573,511	-	-	-	-	2,573,511
Deposits	36,088,882	-	-	-	-	36,088,882
Other liabilities	9,347,904	-	-	-	-	9,347,904
Subordinated loans	25,000	-	-	-	-	25,000

($000's)

		As at October 31, 2017 (1)						
		Fair value approximates carrying value	Fair value may not approximate carrying value					
			Fair value hierarchy					
			Level 1	Level 2	Level 3	Total		Total Fair Value
Loans receivable, securities borrowed and reverse repurchases	$	21,485,959	-	-	-	-	$	21,485,959
Clients' accounts and Brokers and dealers trading balances		12,286,151	-	-	-	-		12,286,151
Other assets (2)		8,467,670	-	-	-	-		8,467,670
Loans payable, securities loaned and repurchases		1,743,252						1,743,252
Deposits		26,041,063	-	-	-	-		26,041,063
Other liabilities (2)		7,899,306	-	-	-	-		7,899,306
Subordinated loans		25,000	-	-	-	-		25,000

(1) Carrying amounts of certain financial instruments approximate their fair values due to the short-term nature and generally insignificant credit risk of the instruments (i) cash collateral relating to Assets purchased under reverse repurchase agreements and securities borrowed and Obligations related to assets sold under repurchase agreements and securities loaned;
(ii) Loans and deposits with original maturity of less than three months or payable on demand; and (iii) certain receivables and payables in Other assets and Other liabilities
(2) Comparative amounts have been restated to conform with the presentation adopted in the current year

Fair values of financial assets and liabilities carried at amortized cost and disclosed in the table above are determined using the following valuation techniques and inputs.

Client accounts and Brokers and dealers trading balances
Balances include clients' margin loans which are demand in nature, where the carrying values approximate their fair values.

Other assets
Other assets include funds deposited in trust for Registered Retirement Savings Plans and other miscellaneous receivables. The carrying values approximate their fair values.

Deposits
Deposits primarily comprise of clients' deposits and are demand in nature. The carrying values approximate their fair values.

Other liabilities
Other liabilities include broker and dealer balances that are short-term in nature and other miscellaneous payables. The carrying values approximate their fair values.

Subordinated loans
Subordinated loans represent an unsecured obligation to RBC due on demand. The carrying values approximate their fair values.

($000's)

b) **Securities**

i) **Carrying value of securities**

The following table presents the contractual maturities of financial instruments that were held at the end of the period, measured at carrying value.

TERM TO MATURITY

2018	Under 3 Months	3-6 Months	7-12 Months	1-3 Years	4-5 Years	Over 5 Years	With no specific maturity	Total
Securities Owned								
Canadian government	$ 1,223,795	$ 1,225,529	$ 2,112,693	$ 1,867,494	$ 1,241,487	$ 4,454,122	$ -	$ 12,125,120
Other debt	1,098,092	589,382	1,291,359	1,115,380	599,512	1,252,918	-	5,946,643
Equities	-	-	-	-	-	-	1,309,809	1,309,809
Options	-	-	-	-	-	-	353,069	353,069
OTC Derivatives	10,323	3,397	3,654	5,422	-	-	184,872	207,668
Total	$ 2,332,210	$ 1,818,308	$ 3,407,706	$ 2,988,296	$ 1,840,999	$ 5,707,040	$ 1,847,750	$ 19,942,309
Securities Sold Short								
Canadian government	$ 881,259	$ 314,746	$ 390,848	$ 1,600,961	$ 1,413,836	$ 4,158,448	$ 22	$ 8,760,120
Other debt	34,670	45,623	9,509	301,069	217,676	616,026	-	1,224,573
Equities	-	-	-	-	-	-	14,854,398	14,854,398
Options	-	-	-	-	-	-	50,675	50,675
OTC Derivatives	293	454	-	-	-	-	1,853,286	1,854,033
Total	$ 916,222	$ 360,823	$ 400,357	$ 1,902,030	$ 1,631,512	$ 4,774,474	$ 16,758,381	$ 26,743,799

TERM TO MATURITY

2017	Under 3 Months	3-6 Months	7-12 Months	1-3 Years	4-5 Years	Over 5 Years	With no specific maturity	Total
Securities Owned								
Canadian government	$ 1,448,990	$ 1,878,050	$ 1,329,572	$ 1,372,877	$ 1,188,929	$ 3,336,090	$ -	$ 10,554,508
Other debt	562,912	286,167	481,225	685,608	433,338	1,224,458	-	3,673,708
Equities	-	-	-	-	-	-	1,169,206	1,169,206
Options						-	124,117	124,117
OTC Derivatives	3,779	2,730	2,098	928	-	-	1,242,469	1,252,004
Total	$ 2,015,681	$ 2,166,947	$ 1,812,895	$ 2,059,413	$ 1,622,267	$ 4,560,548	$ 2,535,792	$ 16,773,543
Securities Sold Short								
Canadian government	$ 461,334	$ 165,064	$ 313,650	$ 895,368	$ 845,671	$ 3,838,316	$ -	$ 6,519,403
Other debt	63,446	9,065	177,939	293,080	530,295	807,366	-	1,881,191
Equities	-	-	-	-	-	-	16,656,085	16,656,085
Options	-	-	-	-	-	-	46,487	46,487
OTC Derivatives	148	1,674	373	-	-	-	361,138	363,333
Total	$ 524,928	$ 175,803	$ 491,962	$ 1,188,448	$ 1,375,966	$ 4,645,682	$ 17,063,710	$ 25,466,499

ii) **Derivatives**

Financial derivatives are financial contracts whose value is derived from an underlying interest rate, foreign exchange rate, credit risk, and equity or equity index. The notional amount of derivatives represents the contract amount used as a reference point to calculate payments. Notional amounts are generally not exchanged by counterparties, and do not reflect the Company's exposure at default.

Interest rate contracts
Includes interest rate swaps, interest rate futures, and interest rate options:

Interest rate swaps are transactions in which two counterparties exchange cash flows, usually based on a fixed interest rate versus a floating interest rate, on a specified notional amount for a predetermined period.

Interest rate futures are contractual obligations to buy or sell a financial instrument on a future date at a specified price established on an organized exchange. Since futures contracts are collateralized by cash or marketable securities and changes in the futures contract value are settled daily with the exchange, the credit risk is negligible.

Interest rate options are contractual agreements under which the seller (writer) grants the purchaser the right, but not the obligation, either to buy (call option) or sell (put option) at or by a set date, a specific amount of a financial instrument at a predetermined price. In consideration for the assumption of interest rate risk, the seller receives a premium from the purchaser. Options may be either exchange-traded or negotiated between the Company and a client. The credit risk associated with exchange-traded options is negligible.

Foreign exchange forward contracts
These include commitments to exchange two currencies at a specified future date based on a rate agreed to by both parties at the inception of the contract. The Company enters into these contracts to service the needs of clients and to manage its own asset/liability exposures.

Equity-linked contracts
These include stock index futures, equity options and equity swaps. Stock index instruments are contracts which pay or receive cash flows based on the increase or decrease in the underlying index.

Options
Options are contractual agreements under which the seller (writer) grants the purchaser the right, but not the obligation, either to buy (call option) or sell (put option), a security, exchange rate, interest rate, or other financial instrument or commodity at a predetermined price, at or by a specified future date. The seller (writer) of an option can also settle the contract by paying the cash settlement value of the purchaser's right. The seller (writer) receives a premium from the purchaser for this right. The various option agreements that the Company enters into include but are not limited to interest rate options, foreign currency options, equity options and index options.

($000's)

iii) Notional amount of derivatives by term to maturity

	AMOUNT OF NOTIONAL VALUE MATURING IN						
2018	**0-3 Months**	**3 Months - 1 Year**	**1-5 Years**	**5-10 Years**	**Over 10 Years**	**With no specific maturity**	**Total**
Interest rate contracts							
Swaps	$ 14,215,447	$ 4,304,984	$ 1,504,615	$ -	$ -	$ -	$ 20,025,046
Futures	3,217,775	1,774,000	1,616,300	-	-	-	6,608,075
Equity linked contracts							
Swaps	-	-	-	-	-	15,956,721	15,956,721
Call & Put Options written	-	-	-	-	-	10,892,732	10,892,732
Call & Put Options purchased	-	-	-	-	-	10,487,665	10,487,665
Futures	-	-	-	-	-	513,920	513,920
Total	$ 17,433,222	$ 6,078,984	$ 3,120,915	$ -	$ -	$ 37,851,038	$ 64,484,159

	AMOUNT OF NOTIONAL VALUE MATURING IN						
2017	**0-3 Months**	**3 Months - 1 Year**	**1-5 Years**	**5-10 Years**	**Over 10 Years**	**With no specific maturity**	**Total**
Interest rate contracts							
Swaps	$ 7,205,600	$ 4,856,500	$ 92,500	$ -	$ -	$ -	$ 12,154,600
Futures	11,594,000	1,148,000	387,000	-	-	-	13,129,000
Equity linked contracts							
Swaps	-	-	-	-	-	15,708,705	15,708,705
Call & Put Options written	-	-	-	-	-	12,542,205	12,542,205
Call & Put Options purchased	-	-	-	-	-	12,651,024	12,651,024
Futures	-	-	-	-	-	945,115	945,115
Total	$ 18,799,600	$ 6,004,500	$ 479,500	$ -	$ -	$ 41,847,049	$ 67,130,649

iv) Fair value of derivative instruments

Derivative-related credit risk
Credit risk from derivative transactions is generated by the potential for the counterparty to default on its contractual obligations when one or more transactions have a positive market value to the Company. Therefore, derivative-related credit risk represents the positive fair value of the instrument and is normally a small fraction of the contract's notional amount.

The Company subjects its derivative-related credit risk to the same credit approval, limit and monitoring standards that the Company uses for managing other transactions that create credit exposure. This includes evaluating the credit worthiness of counterparties, and managing the size, diversification and maturity structure of the portfolio. Credit utilization for all products is compared with established limits on a continual basis and is subject to a standard exception reporting process. The Company utilizes a single internal rating system for all credit risk exposure. In most cases, these internal ratings approximate the external risk ratings of public rating agencies.

Netting is a technique that can reduce credit exposure from derivatives and is generally facilitated through the use of master netting agreements. A master netting agreement provides for a single net settlement of all financial instruments covered by the agreement in the event of the default. However, credit risk is only reduced to the extent that the Company's financial obligations to the same counterparty can be set off against obligations of the counterparty to the Company. The Company maximizes the use of master netting agreements to reduce derivative-related credit exposure. The Company's overall exposure to credit risk that is reduced through master netting agreements may change substantially following the reporting date as the exposure is affected by each transaction subject to the agreement as well as by changes in underlying market rates. Measurement of the Company's credit exposure arising out of derivative transactions is reduced to reflect the effects of netting in cases where enforceability of that netting is supported by appropriate legal analysis as documented in the Company's trading credit risk policies.

The use of collateral is another significant credit mitigation technique for managing derivative-related counterparty credit risk. Mark-to-market provisions in the Company's agreements with some counterparties, typically in the form of a Credit Support Annex, provide the Company with the right to request that the counterparty pay down or collateralize the current market value of its derivatives positions when the value passes a specified threshold amount.

4. NATURE AND EXTENT OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Credit risk

Credit risk is the risk of loss associated with an obligator's potential inability or unwillingness to fulfill its contractual obligations. Credit risk may arise directly from the risk of default of a primary obligator (e.g. issuer, debtor, counterparty, borrower or policyholder), or indirectly from a secondary obligator (e.g. guarantor, reinsurer).
The failure to effectively manage credit risk across the Company's and all its products, services and activities can have a direct, immediate and material impact on the earnings and reputation of the Company.

The Company balances risk and return by:

i) Ensuring credit quality is not compromised for growth;
ii) Diversifying credit risks in transactions, relationships and portfolios;
iii) Using credit risk rating and scoring systems or other approved credit risk assessment or rating methodologies, prices and tools;
iv) Pricing appropriately for the credit risk taken;
v) Applying consistent credit risk exposure measurements;
vi) Mitigating credit risk through preventive and detective controls;
vii) Transferring credit risk to third parties where appropriate through approved credit risk mitigation techniques, including hedging activities and insurance coverage; and
viii) Ongoing credit risk monitoring and administration.

Credit risk for the Company arises from cash on deposit with Acceptable Institutions, net receivables from clients and brokers and investment dealers and other accounts receivables. The maximum exposure of the Company to credit risk before taking into account any collateral held or other credit enhancements is the carrying amount of the financial instruments as disclosed in Note 3 - Financial Instruments under fair values.

The primary source of credit risk to the Company is in connection with trading activity by clients and client margin accounts. To minimize its exposure, the Company applies certain credit standards, applies limits to transactions and requires settlement of securities transactions on a cash basis or delivery against payment. Margin transactions are collateralized by securities in the client's accounts in accordance with limits established by the applicable regulatory authorities and are subject to the Company's credit review and daily monitoring procedures. Management monitors the collectability of receivables and estimates an allowance for doubtful accounts.

The Company is also exposed to the risk that counterparties to transactions do not fulfill their obligations. Counterparties primarily include investment dealers, clearing agencies, banks and other financial institutions. Credit risk is managed by dealing with counterparties the Company believes to be creditworthy, setting overall exposure limits with specific counterparties, monitoring credit exposure and obtaining collateral. Credit risk on derivative transactions is limited to the current replacement cost (fair value) of those contracts.

Concentration of counterparty credit risk exists if a number of clients are engaged in similar activities, are located in the same geographic region or have comparable economic characteristics such that their ability to meet their contractual obligations to the Company would be similarly and adversely affected by a change in economic, political, market or other conditions. The Company's most significant concentration of counterparty credit risk is with financial institutions and institutional clients.

The Company holds debt instruments that are subject to credit risk if the counterparties do not fulfill their obligations. The Company manages the risk with regards to debt instruments by monitoring counterparties' credit ratings.

Liquidity risk
Liquidity and funding risk (liquidity risk) is the risk that the Company may be unable to generate or obtain sufficient cash or its equivalent in a timely and cost-effective manner to meet commitments as they come due.

The Company's liquidity position is established to satisfy current and prospective commitments while also contributing, in conjunction with capital position, to safety and soundness in times of stress. To achieve these goals, the Company operates under a comprehensive liquidity management framework mandated by the Company's parent bank and together employs key liquidity risk mitigation strategies that include the maintenance of:

i) An appropriate balance between the level of risk taken and the cost of its mitigation that take into account the potential impact of extreme but plausible events;
ii) Broad funding access, including preserving and promoting a reliable base of core client deposits, continual access to diversified sources of wholesale funding and demonstrated capacities to monetize specific asset classes;
iii) A comprehensive enterprise wide liquidity contingency plan that is supported by an earmarked pool of unencumbered marketable securities that provide assured access to cash in a crisis; and
iv) Appropriate and transparent liquidity transfer pricing and cost allocation.

The Company's management is responsible for reviewing liquidity resources to ensure funds are readily available to meet its financial obligations as they come due, as well as ensuring adequate funds exist to support business strategies and operational growth. The Company's business requires capital for operating and regulatory purposes. The liquid assets reflected on Statement A are highly liquid. The majority of the positions held as securities owned are readily marketable and all are recorded at their market value. Client receivables are secured by readily marketable securities and are reviewed daily for impairment in value and collectability. Receivables and payables from brokers and dealers represent the following: current open transactions that generally settle within the normal two-day settlement cycle; collateralized securities borrowed and/or loaned in transactions that can be closed within a few days on demand; and balances on behalf of introducing brokers representing net balances in connection with their client accounts. The Company does not manage its liquidity based on contractual maturity.

Liquidity management policies, practices and processes reinforce these risk mitigation strategies. In managing liquidity risk, the Company favours a centralized management approach but various considerations outlined in this section influence the extent to which this can be pursued.

Note 14 (Recovery and Settlement of On-Balance Sheet Assets and Liabilities) presents an analysis of assets and liabilities on the Company's Statement A by amounts to be recovered or settled within one year and after one year, as at the balance sheet date. As warranted, the Company manages the liquidity risk of various products based on historical behavioural patterns that are often not aligned with contractual maturities. Amounts to be recovered or settled within one year, may not be reflective of the Company's long term view of the liquidity profile of certain balance sheet categories.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, equity or commodity prices, and credit spreads. The Company is exposed to market risk in trading activities and asset/ liability management activities. The level to which the Company is exposed varies depending on market conditions, expectations of future price and yield movements and the composition of its trading portfolio.

Fair value risk
The Company is exposed to fair value risk as a result of its principal trading in equity securities and fixed income securities. Securities as at FVTPL are valued based on quoted market prices and as such changes in market value affect earnings as they occur. Fair value risk also arises from the possibility that changes in market prices will affect the value of the securities the Company holds as collateral for client margin accounts. The Company mitigates its fair value risk exposure through controls to limit concentration levels.

Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect the fair value or future cash flows of financial instruments held by the Company. The Company incurs interest rate risk on its own cash on deposit with Acceptable Institutions and client account balances, as well as its subordinated debt. The Company minimizes and monitors its exposure to interest rate risk through quantitative analysis of its net holdings positions of fixed income securities, client cash balances, securities lending and borrowing activities, and short-term borrowings. The Company does not hedge its exposure to interest rate risk as it is minimal.

All cash on deposit with Acceptable Institutions mature within three months. Net client receivables/(payables) charges/(incurs) interest based on floating interest rates. Subordinated debt bears interest at a rate based on overnight money market interest rates.

Foreign exchange risk
Foreign exchange risk arises from the possibility that changes in the price of foreign currencies will result in losses. The Company uses derivative financial instruments primarily to manage foreign exchange risk on pending security settlements in foreign currencies. The fair value of these contracts is nominal due to their short term to maturity. Realized and unrealized gains and losses related to these contracts are recognized in net income during the year. Schedules 11 and 11A provide details of foreign currency exposures by currency.

Trading market risk measurement
Trading market risk reflects the potential adverse impact on earnings and economic value of the Company's trading activities and is comprised of the following components:

i) Interest rate risk arises from the changes in interest rates and is composed of directional risk, yield curve risk, basis risk and option risk. Interest rate risk also captures credit spread risk arising from the changes in an issuer's spreads.
ii) Credit risk arises from the change in the creditworthiness and default of issuers of holdings in fixed income products.
iii) Foreign exchange rate risk arises from the change in currency rates and precious metals price movements and market implied volatilities. In the Company's proprietary positions, there is exposure to the spot, forward and derivative markets.
iv) Equity risk arises from the movements in individual equity prices or movements in the level of stock market indices.
v) Commodities risk arises from commodities price movements and volatilities.
vi) Market illiquidity risk arises from the inability to liquidate positions or acquire hedges to neutralize trading positions.

The Company uses risk measurement tools such as Value-at-Risk (VaR), sensitivity analysis and stress testing in assessing global risk-return trends. The majority of trading positions in foreign exchange, interest rate, equity, commodity and credit trading have capital calculated under a VaR based Internal Models Approach. The breadth of the Company's trading activity is designed to diversify market risk to any particular strategy, and to reduce trading revenue volatility.

VaR is a statistical technique that measures the worst-case loss expected over the period within a 99% confidence level. Larger losses are possible, but with low probability. For example, based on a 99% confidence interval, a portfolio with a VaR of $20 million held over one day would have a one in one hundred chance of suffering a loss greater than $20 million in that day. The Company measures VaR by major risk category on a discrete basis. The Company also measures and monitors the effects of correlation in the movements of interest rates, exchange rates, equity and commodity prices and highlights the benefit of diversification within its trading portfolio.
As with any modeled risk measure, there are certain limitations that arise from the assumptions used in VaR. Historical VaR assumes that the future will behave like the past. As a result, historical scenarios may not reflect the next market cycle. Furthermore, the use of a one-day horizon VaR for risk measurement implies that positions could be unwound or hedged within a day but this may not be a realistic assumption if the market becomes largely or completely illiquid. VaR is calculated on end-of-day positions.

To ensure VaR effectively captures the Company's market risk, the Company continuously monitors and enhances its methodology. Daily back-testing serves to compare hypothetical profit or loss against the VaR to monitor the statistical validity of 99% confidence level of the daily VaR measure. Back-testing is calculated by holding position levels constant and isolating the effect of the movement of actual market rates over the next day and over the next 10 days on the market value of the portfolios.

($000's)

Intraday position changes account for most of the difference between theoretical back-testing and actual profit and loss. VaR models and market risk factors are independently reviewed periodically to further ensure accuracy and reliability.

Sensitivity analysis is used to measure the impact of small changes in individual risk factors such as interest rates and foreign exchange rates and is designed to isolate and quantify exposure to the underlying risk.

VaR is a risk measure that is only meaningful in normal market conditions. To address more extreme market events, stress testing is used to measure and alert senior management to the Company's exposure to potential political, economic or other disruptive events. The Company's stress scenarios are reviewed and updated as required to reflect relevant events and hypothetical situations. In light of the current market environment, the Company's supplemented existing market risk measures by frequent updates to the historical scenario window used in VaR and risk factors were refined to accurately reflect the current market conditions in the calculations. While the Company endeavours to be conservative in its stress testing, there can be no assurance that the Company's stress testing assumptions will cover every market scenario that may unfold.

The following table shows the Company's global VaR for total trading activities by major risk category and the diversification effect, which is calculated as the difference between the global VaR and the sum of the separate risk factor VaRs.

	October 31, 2018		October 31, 2017	
Equity	$	1,293	$	1,082
Interest rate		1,951		1,628
Credit specific		1,497		1,006
Foreign exchange		279		10
Commodities		5		8
Diversification		(2,094)		(1,527)
Total	$	2,931	$	2,207

Non-trading market risk measurement
Measurement of risk is based on rates charged to clients as well as funds transfer pricing rates. Key rate analysis is utilized as a primary tool for risk management as it provides the Company with an assessment of the sensitivity of the exposure of the Company's economic value of equity to instantaneous changes in individual points on the yield curve. The economic value of equity is equal to the net present value of the Company's assets, liabilities and off-balance sheet instruments. Interest risk on non-trading portfolio is not considered to be significant as it is mitigated through the hedging activities that the Company undertakes on the portfolio.

Securities lending and borrowing
The Company employs securities lending and borrowing primarily to facilitate the securities settlement process. These arrangements are typically short term in nature, with interest being received on the cash delivered and interest being paid on the cash received. These transactions are collateralized and are subject to margin calls for any deficiency between the market value of the security given and the amount of collateral received. These transactions are collateralized by either cash or securities, including government treasury bills and government bonds. The Company manages its credit exposure by establishing and monitoring aggregate limits by customer for these transactions. Interest earned on cash collateral is based on a floating rate.

RBC Dominion Securities Inc./RBC Direct Investing Inc.
Notes – Part I, Form 1
October 31, 2018 and 2017
($000's)

5. CAPITAL ASSETS

2018 Capital Assets

		Computer equipment - HW		Furniture, fixtures and other equipment		Leasehold improvements		Assets Retirement Obligation		WIP Leaseholds/ F&E		Total
Cost												
Balance at October 31, 2017	$	10,228	$	50,978	$	161,811	$	4,253	$	8,460	$	235,730
Additions		12		5,198		16,954		515		-		22,679
Disposals / write-offs		-		(26)		(1)		-		(1,070)		(1,097)
Balance at October 31, 2018	$	10,240	$	56,150	$	178,764	$	4,768	$	7,390	$	257,312
Accumulated depreciation												
Balance at October 31, 2017	$	(10,171)	$	(41,591)	$	(119,631)	$	(3,586)	$	-	$	(174,979)
Depreciation		(13)		(3,077)		(10,922)		(132)		-		(14,144)
Disposals / write –offs		-		22		-		-		-		22
Balance at October 31, 2018	$	(10,184)	$	(44,646)	$	(130,553)	$	(3,718)	$	-	$	(189,101)
Net carrying amount at October 31, 2018	$	56	$	11,504	$	48,211	$	1,050	$	7,390	$	68,211

2017 Capital Assets

		Computer equipment - HW		Furniture, fixtures and other equipment		Leasehold improvements		Assets Retirement Obligation		WIP Leaseholds/ F&E		Total
Cost												
Balance at October 31, 2016	$	10,198	$	48,859	$	155,175	$	4,224	$	3,088	$	221,544
Additions		30		2,169		6,636		29		5,372		14,236
Disposals / write-offs		-		(50)		-		-		-		(50)
Balance at October 31, 2017	$	10,228	$	50,978	$	161,811	$	4,253	$	8,460	$	235,730
Accumulated depreciation												
Balance at October 31, 2016	$	(10,149)	$	(38,046)	$	(108,107)	$	(3,362)	$	-	$	(159,664)
Depreciation		(22)		(3,590)		(11,524)		(224)		-		(15,360)
Disposals / write -offs		-		45		-		-		-		45
Balance at October 31, 2017	$	(10,171)	$	(41,591)	$	(119,631)	$	(3,586)	$	-	$	(174,979)
Net carrying amount at October 31, 2017	$	57	$	9,387	$	42,180	$	667	$	8,460	$	60,751

($000's)

6. INTANGIBLE ASSETS

2018 Intangible Assets

	Computer equipment - Software	WIP Capital Software Development	Customer List	Goodwill	Total
Cost					
Balance at October 31, 2017	$ 146,547	$ 3,952	$ 13,778	$ 2,275	$ 166,552
Additions	-	-	-	-	-
Acquisitions through business combinations	-	-	-	-	-
Transfers from work in process	3,952	(3,952)	-	-	-
Retirement	-	-	-	-	-
Foreign exchange translation	-	-	-	-	-
Balance at October 31, 2018	$ 150,509	$ -	$ 13,778	$ 2,275	$ 166,552
Accumulated amortization					
Balance at October 31, 2017	$ (135,060)	$ -	$ (13,778)	$ -	$ (148,838)
Amortization	(6,906)	-	-	-	(6,906)
Impairment loss (reversal)	-	-	-	-	-
Retirement	-	-	-	-	-
Foreign exchange translation	-	-	-	-	-
Balance at October 31, 2018	$ (141,966)	$ -	$ (13,778)	$ -	$ (155,744)
Net carrying amount at October *31, 2018*	$ 8,533	$ -	$ -	$ 2,275	$ *10,808*

2017 Intangible Assets

	Computer equipment - Software	WIP Capital Software Development	Customer List	Goodwill	Total
Cost					
Balance at October 31, 2016	$ 138,411	$ 12,182	$ 13,778	$ 2,275	$ 166,646
Additions	15,058	-	-	-	15,058
Transfers from work in process	-	(8,230)	-	-	(8,230)
Retirement	(6,922)	-	-	-	(6,922)
Balance at October 31, 2017	$ 146,547	$ 3,952	$ 13,778	$ 2,275	$ 166,552
Accumulated amortization					
Balance at October 31, 2016	$ (130,143)	$ -	$ (13,065)	$ -	$ (143,208)
Amortization	(5,182)	-	(713)	-	(5,895)
Retirement	265	-	-	-	265
Balance at October 31, 2017	$ (135,060)	$ -	$ (13,778)	$ -	$ (148,838)
Net carrying amount at October 31, 2017	$ 11,487	$ 3,952	$ -	$ 2,275	$ 17,714

($000's)

7. PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

Plan Characteristics

The Company sponsors a number of plans that provide pension and post-employment benefits to eligible employees. The pension plans are administered by separate trustees that are legally segregated from the Company. All of the plan's beneficiaries are located in Canada. The pension arrangements including investment, plan benefits and funding decisions are governed by pension committees or management. Significant plan changes require the approval of the Board of Directors.

The Company's defined benefit pension plans provide benefits based on years of service, contributions and average earnings at retirement. Defined benefit pension plans are closed to new members. New employees are generally eligible to join defined contribution plans. All beneficiaries of the plans are located in Canada. The Company also provides supplemental non-registered (non-qualified) pension plan for certain executives and senior management.

The Company's defined contribution plan provides pension benefits based on accumulated employee and company contributions. The Company contributions are based on a percentage of employee's annual earnings and a portion of the Company contribution is dependent on the amount being contributed by the employee and their years of service.

The Company's other post-employment benefit plans provide health, dental, disability and life insurance coverage and cover a *number of current and retired employees who are located in Canada. These plans are unfunded unless required by legislation.*

The Company measures the benefit obligations and pension assets as at October 31 each year. All plans are valued using the projected unit-credit method. The Company funds its registered defined benefit pension plans in accordance with actuarially determined amounts required to satisfy employee benefit obligations under current pension regulations. The most recent funding actuarial valuation was completed on January 1, 2018, and the next valuation will be completed no later than January 1, 2021.

For 2018, total company contributions to the pension plans (defined benefit and defined contribution plans) and other post-employment plans were $33,880 and $2,473 (2017 – $31,894 and $2,462), respectively. For 2019, total contributions to the pension plans and other post-employment benefit plans are expected to be approximately $34,694 and $2,868 respectively.

Risks

By their design, the defined benefit pension and other post-employment plans expose the Company to various risks such as investment performance, reductions in discount rates used to value the obligations, increased longevity of plan members, future inflation levels impacting future salary increases as well as future increases in health care costs. These risks will reduce over time due to the membership closure of the defined benefit pension and migration to defined contribution pension plan.

The following table presents the financial position related to the pension and other post-employment plans, including executive retirement arrangements.

	October 31, 2018		October 31, 2017	
	Defined benefit pension plans	Other post-employment plans	Defined benefit pension plans	Other post-employment plans
Fair value of plan assets	$ 862,277	$ -	$ 854,933	$ -
Present value of defined benefit obligation	837,143	73,852	859,006	82,665
Net (deficit) surplus (1)	$ 25,134	$ (73,852)	$ (4,073)	$ (82,665)

(1) The amount comprised of $25,709 employee benefit assets and $75,139 employee benefit liabilities on the Balance Sheet

($000's)

The following table presents an analysis of the movement in the financial position related to the pension and other post-employment plans, including executive retirement arrangements.

	October 31, 2018		October 31, 2017	
	Defined benefit pension plans	Other post-employment plans	Defined benefit pension plans	Other post-employment plans
Change in fair value of plan assets				
Opening fair value of plan assets	$ 854,933	$ -	$ 777,698	$ -
Interest income	30,956	-	27,103	-
Remeasurements				
Return on plan assets (excluding interest income)	(17,884)	6	51,744	6
Contributions – Employer	23,768	2,473	22,432	2,462
Contributions - Plan participant	6,822	314	6,927	329
Payments	(34,858)	(2,793)	(29,671)	(2,797)
Other	(1,460)	-	(1,300)	-
Closing fair value of plan assets	$ 862,277	$ -	$ 854,933	$ -
Change in present value of benefit obligation				
Opening benefit obligation	$ 859,006	$ 82,665	$ 822,926	$ 93,132
Current service cost	33,950	4,043	35,536	4,145
Past service cost	-	-	(1,033)	-
Interest expense	30,293	2,796	28,212	3,162
Remeasurements				
Actuarial (gains) losses from demographic assumptions	(7,728)	(5,886)	-	(7,626)
Actuarial (gains) losses from financial assumptions	(54,123)	(6,666)	(12,199)	(2,087)
Actuarial (gains) losses from experience adjustments	3,781	(621)	8,308	(5,593)
Contributions - Plan participant	6,822	314	6,927	329
Payments	(34,858)	(2,793)	(29,671)	(2,797)
Closing benefit obligation (1)	$ 837,143	$ 73,852	$ 859,006	$ 82,665

(1) For pension plans with funding deficits, the benefit obligations and fair value of plan assets as at October 31, 2018 were $801,810 and $819,467, respectively (October 31, 2017 - $818,987 and $806,824, respectively)

Pension and other post-employment benefit expense

The following table presents the composition of the pension and other post-employment benefit expense.

	Defined benefit pension plans		Other post-employment plans	
	For the year ended		For the year ended	
	October 31 2018	October 31 2017	October 31 2018	October 31 2017
Current service costs	$ 33,950	$ 35,536	$ 4,043	$ 4,145
Past service costs	-	(1,033)	-	-
Net interest expense	(663)	1,109	2,796	3,162
Remeasurements of other long term benefits	-	-	(505)	(657)
Administrative expense	1,460	1,300	-	-
Defined benefit pension expense	34,747	36,912	6,334	6,650
Defined contribution pension expense	10,113	9,462	-	-
Total benefit expense	$ 44,860	$ 46,374	$ 6,334	$ 6,650

($000's)

Remeasurements of employee benefit plans

The following table presents the composition of the Company's remeasurements recorded in OCI.

	Defined benefit pension plans		Other post-employment plans	
	For the year ended		For the year ended	
	October 31 2018	October 31 2017	October 31 2018	October 31 2017
Actuarial (gains) losses				
Changes in demographic assumptions	$ (7,728)	$ -	$ (5,944)	$ (7,555)
Changes in financial assumptions	(54,123)	(12,199)	(6,480)	(2,036)
Experience adjustments	3,781	8,308	(250)	(5,064)
Return on plan assets (excluding interest based on discount rate)	17,884	(51,744)	-	-
Total remeasurement	$ (40,186)	$ (55,635)	$ (12,674)	$ (14,655)

Investment policy and strategies

Defined benefit pension plan assets are invested prudently in order to meet the Company's longer-term pension obligations at a reasonable cost. The pension plan's investment strategy is to hold a diversified mix of investments by asset class and geographic location in order to reduce investment-specific risk to the funded status while maximizing the expected returns to meet pension obligations. Investment of the plan's assets is conducted with careful consideration of the pension obligation's sensitivity to interest rates and credit spreads which are key risk factors impacting the obligation's value. The asset mix policy is therefore consistent with an asset/liability framework. Factors taken into consideration in developing the asset mix include but are not limited to the following:

(i) the nature of the underlying benefit obligations, including the duration and term profile of the liabilities;
(ii) the member demographics, including normal retirements, terminations, and deaths;
(iii) the financial position of the pension plans;
(iv) the diversification benefits obtained by the inclusion of multiple asset classes; and
(v) expected asset returns, including assets and liability volatility and correlations.

To implement the Company's asset mix policy, the Company may invest in debt securities, equity securities, alternative investments and derivative instruments. The Company's holdings in certain investments, including common shares, emerging market equities, debt securities rated lower than BBB and residential and commercial mortgages, cannot exceed a defined percentage of the market value of the defined benefit pension plans assets. The Company may use derivative instruments as either a synthetic investment to more efficiently replicate the performance of an underlying security, or as a hedge against financial risks associated with the underlying portfolio plan. To manage the credit risk exposure, where derivatives instruments are not centrally cleared, counterparties are required to meet minimum credit ratings and enter into collateral agreements, and counterparty exposures are monitored and reported to management on an ongoing basis.

The defined benefit pension plan assets are primarily comprised of debt and equity securities and alternative investments. The Company's equity securities generally have unadjusted quoted market prices in an active market (Level 1) and our debt securities generally have quoted market prices for similar assets in an active market (Level 2). Alternative investments and other includes cash, hedge funds, and private fund investments including infrastructure, real estate leases, private equity and derivative financial instruments. In the case of private fund investments, no quoted market prices are usually available (Level 2 or Level 3). These fund assets are either valued by an independent valuator or priced using observable market inputs.

($000's)

During the year ended October 31, 2018, investment management focused on fund opportunities and optimizing mix to increase diversification and improve expected returns within the plan's alternative and equity asset classes. Over time, an increasing allocation to debt securities is being used to reduce asset/liability duration mismatch and hence variability of the plan's funded status due to interest rate movement. Longer maturity debt securities, given their price sensitivity to movements in interest rates, are considered to be a good economic hedge to risk associated with the plan's liabilities, which are discounted using predominantly long maturity bond interest rates as inputs.

	As at							
	October 31, 2018				October 31, 2017			
		Fair value	%	Quoted in active market %		Fair value	%	Quoted in active market %
Equity securities								
Domestic	$	91,686	10.6%	100%	$	119,690	14.0%	100%
Foreign		210,392	24.4%	100%		208,604	24.4%	100%
Debt securities								
Domestic Government Bonds		176,822	20.5%	0%		170,132	19.9%	0%
Foreign Government Bonds		21,952	2.6%	0%		23,938	2.8%	0%
Corporate and Other Bonds		200,115	23.2%	0%		169,277	19.8%	0%
Alternative Investments and Other		161,310	18.7%	16%		163,292	19.1%	19%
	$	862,277	100%	38%	$	854,933	100%	42%

The allocation to equities of the Company's pension plan is 35% (October 31, 2017 – 38.4%). The allocation to debt securities of the Company's pension plan is 46.3% (October 31, 2017 – 42.5%). The allocation to alternative investments and other assets in the Company's pension plan is 18.7% (October 31, 2017 – 19.1%).

As at October 31, 2018, the plan assets include 67,700 (October 31, 2017 – 82,100) of the Company's common shares having a fair value of $6,495 (October 31, 2017 – $8,280) and $3,363 (October 31, 2017 – $2,832) of the Company's debt securities For the year ended October 31, 2018, dividends received on the common shares held in the plan assets were $291 (October 31, 2017 – $272).

Maturity profile

The following table presents the maturity profile of the Company's defined benefit pension plan obligation.

		As at October 31, 2018
Number of plan participants		4,647
Actual benefit payments 2018	$	34,858
Benefits expected to be paid 2019	$	34,558
Benefits expected to be paid 2020	$	37,194
Benefits expected to be paid 2021	$	39,798
Benefits expected to be paid 2022	$	42,192
Benefits expected to be paid 2023	$	44,449
Benefits expected to be paid 2024-2028	$	249,084
Weighted average duration of defined benefit (in years)		15.4

($000's)

Significant assumptions
The methodologies to determine significant assumptions used in calculating the defined benefit pension and other post-employment expense are as follows:

Discount rate
All future expected benefits at each measurement date are discounted at spot rates from a derived AA corporate bond yield curve. The derived curve is based on actual short and mid-maturity corporate AA rates and extrapolated longer term rates. The extrapolated corporate AA rates are derived from observed corporate A, corporate AA, and provincial AA yields. Spot rates beyond 30 years are set to equal the 30-year spot rate. The discount rate is the equivalent single rate that produces the same discounted value as that determined using the entire discount curve. This valuation methodology does not rely on assumptions regarding reinvestment returns.

Rate of Increase in future compensation
The assumptions for increase in future compensation are developed separately for each plan, where relevant. Each assumption is set based on the price inflation assumption and compensation policies in Canada, as well as relevant statutory and plan specific requirements.

Healthcare cost trend rates
Health care cost calculations are based on both short and long term trend assumptions established based on the plan's recent trend experience as well as on market expectations.

	Defined benefit pension plans		Other post-employment plans	
	As at		As at	
	October 31 2018	**October 31 2017**	October 31 2018	**October 31 2017**
Weighted average assumptions to determine benefit obligations				
Discount rate	4 0%	**3.6%**	4 0%	**3.5%**
Rate of increase in future compensation	3 3%	**3.3%**	n a	**n.a.**
Health care cost (1)				
- Medical	n a	**n.a.**	3 1%	**3.7%**
- Dental	n a	**n.a.**	3.1%	**4.0%**

(1) For our other post-employment benefit plans, the 2018 assumed trend rates used to measure the expected benefits cost of the defined benefit obligations are also the ultimate rates.
n.a. not applicable.

Mortality assumptions
Mortality assumptions are significant in measuring the Company's obligations under the defined benefit plans. These assumptions have been set based on country specific statistics. Future longevity improvements have been considered and included where appropriate. The following table summarizes the mortality assumptions used for the defined benefit plans.

	October 31, 2018				**October 31, 2017**			
	Life expectancy at 65 for a member currently at:				**Life expectancy at 65 for a member currently at:**			
	Age 65		Age 45		**Age 65**		**Age 45**	
(in years)	Male	Female	Male	Female	**Male**	**Female**	**Male**	**Female**
Country								
Canada	23 7	24 1	24 7	25 0	**23.2**	**23.7**	**24.2**	**24.6**

($000's)

Sensitivity analysis

Assumptions adopted can have a significant effect on the obligations for defined benefit pension and other post-employment benefit plans. The increase (decrease) in obligation in the following table has been determined assuming all other assumptions are held constant. In practice, this is unlikely to occur, as changes in some of the assumptions may be correlated. The following table presents the sensitivity analysis of key assumptions for 2018.

	Defined benefit pension plans	Other post-employment plans
	Increase (decrease) in obligation	Increase (decrease) in obligation
Discount rate		
Impact of 50 bps increase in discount rate	(61,051)	(5,256)
Impact of 50 bps decrease in discount rate	68,528	5,991
Rate of increase in future compensation		
Impact of 50 bps increase in rate of increase in future compensation	2,094	n.a.
Impact of 50 bps decrease in rate of increase in future compensation	(2,239)	n a.
Mortality rate		
Impact of an increase in longevity by one additional year	19,806	1,085
Health care cost trend rate		
Impact of 100 bps increase in health care cost trend rate	n.a.	1,161
Impact of 100 bps decrease in health care cost trend rate	n a	(1,022)

8. INCOME TAXES

The Company had a 2018 effective tax rate of 30.0% (2017: 30.2%) as compared to the statutory tax rate of 26.8% (2017: 26.7%). The effective tax rate changed from 30.2% for 2017 to 30.0% for 2018, primarily due to an increase in tax-exempt income from securities.

The Corporation's effective tax rate differs from its combined federal and provincial statutory rates primarily as a result of the following.

Reconciliation to statutory tax rate

	October 31, 2018	October 31, 2017
Income taxes at Canadian statutory rate	$ 353,180	$ 302,487
Increase (decrease) in income taxes resulting from		
Non-deductible expenses	64,245	54,670
Tax-exempt income from securities	(21,564)	(16,147)
Other	283	826
Income taxes reported in Statement of income	$ 396,144	$ 341,836

($000's)

The components of tax expense are as follows.

		October 31, 2018		October 31, 2017
Income taxes (recoveries) in Statement of Income				
Current tax				
Tax expense for current year	$	407,165	$	360,364
Adjustments for prior years		6,324		5,205
		413,489		365,569
Deferred tax				
Origination and reversal of temporary differences		(9,398)		(17,569)
Effects of changes in tax rates		-		(287)
Adjustments for prior years		(7,947)		(5,877)
		(17,345)		(23,733)
		396,144		341,836
Income taxes expenses (recoveries) in statement of comprehensive income and changes in equity				
Remeasurement of employee benefit plans		14,166		18,768
Project Stability		-		-
		14,166		18,768
Total income taxes	$	410,310	$	360,604

Significant components of deferred tax assets and liabilities (in $millions):

		Net Asset November 1, 2017		Change through profit or loss		Change through equity		Net Asset October 31, 2018
Net deferred tax asset/(liability)								
Deferred compensation	$	140	$	14	$	-	$	154
Deferred income		32		2		-		34
Pension and post-employment related		(4)		1		(14)		(17)
Premises and equipment		(2)		-		-		(2)
Deferred expense		(2)		-		-		(2)
Intangibles		1		-		-		1
Other		6		-		-		6
	$	171	$	17	$	(14)	$	174

		Net Asset November 1, 2016		Change through profit or loss		Change through equity		Net Asset October 31, 2017
Net deferred tax asset/(liability)								
Deferred compensation	$	121	$	19	$	-	$	140
Deferred income		34		(2)		-		32
Pension and post-employment related		10		4		(18)		(4)
Premises and equipment		(3)		1		-		(2)
Deferred expense		(4)		2		-		(2)
Intangibles		1		-		-		1
Other		6		-		-		6
	$	165	$	24	$	(18)	$	171

($000's)

9. COMMITMENTS AND CONTINGENCIES

a) Lease commitments

The future minimum lease payments under operating leases are estimated in the following table.

2018	$	28,602
2019	$	27,718
2020	$	26,471
2021	$	22,924
2022	$	20,333
Thereafter	$	76,591
	$	202,639

The total lease expense for the year was $37,710 (2017 - $35,482).

b) Underwriting commitments
The Company acts as underwriter for certain new issuances under which the Company alone or together with a syndicate of financial institutions purchases the new issuances for resale to investors. In connection with these activities, the Company's commitments were $140.8 million as at October 31, 2018 (October 31, 2017 – $38 million).

c) The Company is part of a six year contract between a service organization, Broadridge, and RBC and affiliates, collectively referred to as Royal Bank of Canada Financial Group ("RBCFG"). The service organization provides trade processing services. The commitment, which is variable, based mainly on trading volume, has minimum payments of approximately US$33,000 per annum.

d) The Company is party to a number of legal claims arising in the ordinary course of business. Management believes, based upon discussion with legal counsel, that adequate provision has been made in the accounts for costs associated with these claims.

e) Guarantees
DSI & DII have entered into a cross guarantee agreement whereby they guarantee certain liabilities of each other. The amount of the guarantee is limited to each of their risk adjusted capital calculated in accordance with IIROC rules and only relates to liabilities to brokerage clients who are covered by CIPF.

In the normal course of operation, the Company may provide indemnifications, which are often standard contractual terms, to counterparts in transactions such as service agreements, clearing system arrangements, leases, and purchases of goods. Under these agreements, the Company may agree to indemnify the counterparty against loss or liability arising from the acts or omissions of the Company in relation to the agreement. The nature of the indemnifications in these agreements prevents the Company from making a reasonable estimate of the maximum potential amount that the Company could be required to pay such counterparties.

DSI also guarantees the obligations of RBC Capital Markets Real Estate Group Inc. in the amount of $1,000.

f) Written put options
The Company enters into written put options that are contractual agreements which grant the purchasers the right, but not the obligation to sell, by or at a set date, a specified amount of a financial instrument at a predetermined price. Written put options that typically qualify as guarantees include foreign exchange contracts, equity-based contracts, and certain commodity-based contracts. The term of these options varies based on the contract and can range up to five years. The notional value of these put options is $8,842,524 (2017: $11,132,879).

($000's)

g) Pledged assets and collateral

In the ordinary course of business, the Company pledges assets and enters into collateral agreements with terms and conditions that are usual and customary to the Company's regular lending, borrowing and trading activities recorded on the Company's combined Balance Sheet. The right of the pledgee to sell or re-pledge the assets is dependent on the specific agreement under which the collateral is pledged. If there is no default, the pledgee must return the assets or comparable assets to the pledgor upon satisfaction of the obligation.

Details of assets pledged against liabilities are shown in the following tables.

Sources of pledged assets and collateral		2018		2017
Company Assets				
Cash collateral for securities lent	$	2,263,511	$	1,433,231
Securities		15,539,656		13,004,810
	$	17,803,167	$	14,438,041
Client Assets				
Collateral received and available for sale or re-pledging	$	262,253,679	$	206,936,006
Less not sold or re-pledged		(41,988,513)		(31,628,340)
		220,265,166		175,307,666
	$	238,068,333	$	189,745,707

Uses of pledged assets and collateral		2018		2017
Securities lent	$	48,910,147	$	44,882,108
Securities borrowed		74,126,250		57,045,080
Securities pledged to clearing corporations		1,759,871		981,325
Obligations related to securities sold short		24,767,568		24,992,743
Obligations related to securities or sold under repurchase agreement		88,504,497		61,844,451
	$	238,068,333	$	189,745,707

10. RELATED PARTY TRANSACTIONS

Description of Relationships and Transactions

In the normal course of business, the Company has transactions with RBC and its related companies. These transactions include securities trading, financing transactions and entering into derivative contracts, as well as certain management payroll, accounts payable, expenses, and administrative services, such as risk management, securities and data processing and building management.

Related parties include the parent bank, RBC, associated companies, post-employment benefit plans for the benefit of the Company's employees, key management personnel, the Board of Directors of RBC ('Directors'), close family members of key management personnel and Directors, and entities which are, directly or indirectly, controlled by, jointly controlled by or significantly influenced by key management personnel, Directors or their close family members.

($000's)

The following summarizes the Company's related party balances on the balance sheet and statement of income with RBC and RBC affiliates as at and for the year ending October 31, 2018 and 2017.

Balance Sheet (in 000's) (1)

MFR Stmt A format

	2018	2017
Assets		
Funds deposited in trust for RRSP etc	$ 7,712,913	$ 7,400,336
Cash on deposit with Acceptable Inst	562,621	557,721
Loans receivable, securities borrowed and resold	32,587,319	31,879,998
Client accounts	3,171,065	3,165,707
Investments in subs and affiliates	35,956	36,338
Advances to subsidiaries and affiliates	62,299	85,368
Other assets	84,097	58,346
Liabilities		
Overdrafts, loans, securities loaned and repurchases	$ 13,802,691	$ 12,940,664
Client accounts	4,511,692	2,378,801
Bonuses payable	794,185	851,110
Subordinated Loans	25,000	25,000
Other current liabilities	138,417	164,358
Provisions - Non-current	75,139	95,538
Other non-current liabilities	500,000	-
Total Assets	$ 44,216,270	$ 43,183,814
Total Liabilities	$ 19,847,125	$ 16,455,471

(1) Comparative amounts have been restated to conform with the presentation adopted in the current year

Income Statement (in 000's) (1)

	2018	2017
Commission Revenue	$ 84,589	$ 96,976
Principal Revenue	(1,256,589)	3,171,954
Corporate Finance Revenue	27,023	19,123
Other Revenue	372,522	223,567
Total Revenue	$ (772,455)	$ 3,511,620
Expenses	$ (275,636)	$ (331,338)
Net Profit (Loss) for Period	$ (1,048,091)	$ 3,180,282

Dividend payment

During the year, DSI paid $500,000 (2017: $750,000) in dividends to its parent, RBC Dominion Securities Limited. DI paid $140,000 (2017: $75,000) in dividends to its parent, Royal Bank Holding Inc.

($000's)

Trading inventory

The Company as part of its trading inventory holds the following shares of RBC.

	2018		2017	
	Number of Shares	Market Value	Number of Shares	Market Value
Common	280,127	$ 26,870	557,033	$ 56,188
Non-cumulative First Preferred Shares AA	817	20	-	-
Non-cumulative First Preferred Shares AC	-	-	12	-
Non-cumulative First Preferred Shares AD	13,813	345	-	-
Non-cumulative First Preferred Shares AF	1,937	48	-	-
Non-cumulative First Preferred Shares AG	2,221	56	-	-
Non-cumulative First Preferred Shares AJ	1,920	48	10	-
Non-cumulative First Preferred Shares AK	5,919	148	-	-
Non-cumulative First Preferred Shares AL	1,653	41	-	-
Non-cumulative First Preferred Shares AZ	207	5	-	-
Non-cumulative First Preferred Shares BB	940	22	-	-
Non-cumulative First Preferred Shares BD	1,449	34	962	24
Non-cumulative First Preferred Shares BF	614	15	758	18
Non-cumulative First Preferred Shares BH	26	1	-	-
Non-cumulative First Preferred Shares BJ	368	9	-	-
Non-cumulative First Preferred Shares BK	-	-	592	16
Non-cumulative First Preferred Shares BM	2,554	66	249	7

Notional of derivatives

	2018	2017
Foreign exchange forwards	$ -	$ -
Interest rate swaps	20,025,046	12,154,600
Equity swaps	15,956,721	15,708,705
Equity options written	8,842,524	11,132,879
Equity options purchased	8,145,189	10,919,194
Equity forwards	-	-

Subordinated loan

The subordinated loan is recorded at amortized cost and is an unsecured obligation to RBC and is subordinated in right of payment to the claims of clients, dealers and certain other creditors. The loan is due on demand and all changes to the amount of subordinated debt are subject to approval by IIROC. The interest rate is based on overnight money market interest rates.

($000's)

Subordinated debentures held

The Company as part of its trading inventory holds the following subordinated debentures of RBC.

2018						
Maturity	**Number of Debentures**		**Market Value**	**Earliest par value redemption date**	**Interest rate**	
July 17, 2024	215,000	$	215	July 17, 2019	3.04%	(1)
December 6, 2024	7,593,000	$	7,602	December 6, 2019	2.99%	(2)
June 4, 2025	2,285,000	$	2,261	June 4, 2020	2.48%	(2)

(1) Interest at stated interest rate until earliest par value redemption date, and thereafter at a rate of 1 08% above the 90-day Bankers' Acceptance rate

(2) Interest at stated interest rate until earliest par value redemption date, and thereafter at a rate of 1 10% above the 90-day Bankers' Acceptance rate

Key management personnel and Directors

Key management personnel are defined as those persons having, directly or indirectly, authority and responsibility for planning directing and controlling the activities of RBC and its subsidiaries and comprise the senior executives of RBC called the Group Executive (GE). Specifically, the GE comprises the Chief Executive Officer and those individuals that report directly to him, including the Chief Administrative Officer and Chief Financial Officer, Chief Human Resource Officer, the Chief Risk Officer, and heads of the Company's business units. The GE is ultimately responsible for all material decisions of RBC. The GE is also responsible for establishing the overall strategic direction of the RBC group and, in that regard, sets global parameters for the RBC group within which the board of directors and management of each subsidiary in the RBC group exercise their respective discretion to make decisions concerning the strategic direction and day-to-day management of the particular subsidiary. The Directors of RBC do not plan, direct, or control the day-to-day activities of RBC; they oversee the management of the business and provide stewardship.

Compensation of key management personnel and Directors

The following tables present the compensation paid, shareholdings and options held by key management personnel and Directors.

	For the year ended			
		October 31 2018		**October 31 2017**
Salaries and other short-term employee benefits	$	34,000	$	**33,000**
Post-employment benefits		2,000		**2,000**
Share-based payments		42,000		**37,000**
	$	78,000	$	**72,000**

Shareholdings and options held by key management personnel, Directors and family members

	No. of units held		Value at October 31, 2018	**No. of units held**		**Value at October 31, 2017**
Stock options	2,154,835	$	37,000	**2,174,841**	**$**	**60,000**
Other non-option stock based awards	1,440,002		138,000	**1,371,104**		**138,000**
RBC common shares	453,316		43,000	**632,631**		**64,000**
	4,048,153	$	218,000	**4,178,576**	**$**	**262,000**

In the normal course of business, the Company provides certain banking services to key management personnel, directors, and their close family members. These transactions were made on substantially the same terms, including interest rates and security, as for comparable transactions with persons of a similar standing and did not involve more than the normal risk of repayment or present other unfavourable features.

Transactions, arrangements and agreements involving key management personnel, Directors and family members
Aside from the above transactions, no guarantees, pledges or commitments have been given to key management personnel, directors, or their close family members.

11. SHARE BASED COMPENSATION

RBC Dominion Securities Savings Plan
DSI offers employees an opportunity to own RBC stock through the RBC Dominion Securities Savings Plan. Under this plan, the employee can generally contribute between 1% and 10% of their prior year compensation or benefit base for commissioned employees. For each contribution between 1% and 6%, the Company matches 50% of the employee contributions in RBC common shares to a maximum annual contribution of $4.5 per employee. DSI contributed $15,394 (2017 - $14,665), under the terms of these plans, towards the purchase of RBC common shares. As at October 31, 2018, an aggregate of 7,159 (2017 – 7,188) RBC's common shares were held under these plans.

Deferred share and other plans
The Company offers deferred share unit plans to certain executives and previously to certain key employees. Under these plans, each executive or employee may choose to receive all or a percentage of their annual incentive bonus in the form of deferred share units (DSUs). The executives or employees must elect to participate in the plan prior to the beginning of the fiscal year. DSUs earn dividend equivalents in the form of additional DSUs at the same rate as dividends on RBC common shares. The participant is not allowed to convert the DSUs until retirement, permanent disability or termination of employment/directorship. The cash value of the DSUs is equivalent to the market value of RBC common shares when conversion takes place. The value of the DSUs as at October 31, 2018, was $351,304 (2017 – $337,831). The share price fluctuations and dividend equivalents compensation loss recorded for the year ended October 31, 2018, in respect of these plans was $5,735 (2017 - $66,245).

The Company has a deferred bonus plan for certain key employees. Under this plan, a percentage of each employee's annual incentive bonus is deferred and accumulates dividend equivalents at the same rate as dividends on RBC common shares. The employee will receive the deferred bonus amounts within 90 days of the three following year-end dates. The value of the deferred bonus paid will be equivalent to the original deferred bonus adjusted for dividends and changes in the market value of RBC common shares at the time the bonus is paid. The value of the deferred bonus as at October 31, 2018, was $196,591 (2017 – $239,629). Compensation expense recorded for the year ended October 31, 2018, in respect of this plan was $21,682 (2017 - $66,342).

The Company offers performance deferred award plans to certain key employees, all of which vest at the end of three years. Upon vesting, the award is paid in cash and is based on the original number of RBC share units granted plus accumulated dividends valued using the average closing price of RBC common shares during the five trading days immediately preceding the vesting date. A portion of the award under some plans can be increased or decreased up to 25% for awards granted, depending on RBC's total shareholder return compared to a defined peer group of global financial institutions. The value related to the DSUs liability as at October 31, 2018 was $78,870 (2017 $89,047). Compensation expense recorded for the year ended October 31, 2018, in respect of these plans was $25,556 (2017 – $43,658).

The following tables present the units granted during the year and our obligations for units earned by the participants under the deferred share and other plans.

Obligation under deferred share and other plans						
	31-Oct-18			31-Oct-17		
	Units granted during the year		Units outstanding at the end of the year	Units granted during the year		Units outstanding at the end of the year
(Millions of Canadian dollars)	Number granted (in thousands)	Weighted average fair value	Carrying amount	Number granted (in thousands)	Weighted average fair value	Carrying amount
Deferred share unit plans	304	$ 100 34	$ 351	278	$ 91 79	$ 338
Deferred bonus plan	858	94 66	197	846	101 06	240
Performance deferred share award plans	139	101.60	79	161	88.08	89
Other stock-based plan	2	98 11	10	1	91.40	13
Total	1,303	$ 96 73	$ 637	1,286	$ 97 43	$ 680

12. RESULTS BY BROKER DEALER

DSI and DII have combined their financial results for regulatory reporting purposes. DSI includes principal transactions, agency transactions, investment banking and investment advisory businesses. DII includes retail discount brokerage transactions. Operating revenue and expenses directly associated with each broker-dealer are included in the results.

2018	DSI	DII	Total
Interest income (1)	$ 1,865,161	$ 193,925	$ 2,059,086
Non-interest income	3,304,671	208,627	3,513,298
Total revenue	5,169,832	402,552	5,572,384
Interest expense	1,514,613	-	1,514,613
Non-interest expense	2,545,218	192,739	2,737,957
Total expense	4,059,831	192,739	4,252,570
Net income before income taxes	1,110,001	209,813	1,319,814
Income taxes	340,332	55,812	396,144
Net income	$ 769,669	$ 154,001	$ 923,670
Total assets	$ 157,322,242	$ 8,882,561	$ 166,204,803
Total liabilities	$ 152,707,509	$ 8,722,631	$ 161,430,140

($000's)

2017		DSI		DII		Total
Net interest income (1)	$	369,242	$	129,957	$	499,199
Non-interest income		3,195,034		163,307		3,358,341
Total revenue		3,564,276		293,264		3,857,540
Non-interest expense		2,536,800		184,896		2,721,696
Net income before income taxes		1,027,476		108,368		1,135,844
Income taxes		313,129		28,707		341,836
Net income	$	714,347	$	79,661	$	794,008
Total assets	$	116,841,305	$	8,786,954	$	125,628,259
Total liabilities	$	112,535,011	$	8,640,949	$	121,175,960

(1) Inter-segment revenue and share of profits are not material.

(1) Inter-segment revenue and share of profits are not material

13. CAPITAL MANAGEMENT

The capital levels of the Company are regulated pursuant to the rules issued by its regulator IIROC. The primary objective of these rules is to quantify the company's liquidity risk and to ensure that at all times the Company maintains a risk adjusted capital ("RAC") greater than zero. This calculation comprises Statement B of the Form 1.

The Company sets a target RAC based on its expectations of projected capital requirements resulting from current and planned business activities. In order to maintain the capital structure, the Company may adjust the amount of dividends paid to shareholders and/or the amount of capital or subordinated debt received from its Provider of Capital. On a weekly basis, the Company documents its monitoring of the RAC comparing the current balance to the projected capital and prior week's amounts.

During 2018, the Company's strategy was unchanged from 2017 which was to maintain RAC at greater than zero. The Company was in compliance with all capital requirements throughout the year.

The Company is authorized to issue an unlimited number of common shares. There are 2,001,004 outstanding common shares that were issued at a par value of nil as of October 31, 2017 and October 31, 2018.

($000's)

14. RECOVERY AND SETTLEMENT OF ON-BALANCE SHEET ASSETS AND LIABILITIES

The table below presents an analysis of assets and liabilities recorded on the Company's Statement A by amounts that are expected to be recovered or settled within one year and after one year, as at the date of the Statement A. Amounts to be recovered or settled within one year, as presented below, may not be reflective of management's long-term view of the liquidity profile of certain asset and liability categories.

2018	Less than one year	Greater than one year	Total
Assets			
Cash on deposit with acceptable institutions	$ 709,909	$ -	$ 709,909
Funds deposited in trust for RRSP and other similar accounts	7,712,913	-	7,712,913
Loans receivable, securities borrowed and sold	121,419,454	-	121,419,454
Securities Owned - at market value	19,942,309	-	19,942,309
Client Accounts	13,068,659	-	13,068,659
Brokers and dealers trading balances	2,367,855	-	2,367,855
Other	459,261	524,443	983,704
Total assets	$ 165,680,360	$ 524,443	$ 166,204,803
Liabilities			
Overdrafts, loans securities loaned and repurchases	$ 89,006,592	$ -	$ 89,006,592
Securities sold short - at market value	26,743,799	-	26,743,799
Client accounts	36,088,882	-	36,088,882
Brokers and dealers	3,303,840	-	3,303,840
Current Income taxes	20,619	-	20,619
Other liabilities	5,663,364	603,044	6,266,408
Total liabilities	$ 160,827,096	$ 603,044	$ 161,430,140

($000's)

2017 (1)	Less than one year	Greater than one year	Total
Assets			
Cash on deposit with acceptable institutions	$ 637,225	$ -	$ 637,225
Funds deposited in trust for RRSP and other similar accounts	7,400,336	-	7,400,336
Loans receivable, securities borrowed and sold	87,785,745	-	87,785,745
Securities Owned - at market value	16,773,543	-	16,773,543
Client Accounts	9,779,584	-	9,779,584
Brokers and dealers trading balances	2,506,567	-	2,506,567
Other	244,450	500,809	745,259
Total assets	$ 125,127,450	$ 500,809	$ 125,628,259
Liabilities			
Overdrafts, loans securities loaned and repurchases	$ 61,471,134	$ -	$ 61,471,134
Securities sold short - at market value	25,466,499	-	25,466,499
Client accounts	26,041,063	-	26,041,063
Brokers and dealers	2,339,917	-	2,339,917
Current income taxes	71,272	-	71,272
Other liabilities	5,664,772	121,302	5,786,074
Total liabilities	$ 121,054,657	$ 121,302	$ 121,175,959

(1) Comparative amounts have been restated to conform with the presentation adopted in the current year.

15. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Offsetting within the balance sheet may be achieved where financial assets and liabilities are subject to master netting arrangements that provide the currently enforceable right of offset and where there is an intention to settle on a net basis, or realize the assets and liabilities simultaneously. For repurchase and reverse repurchase arrangements, this is generally achieved when there is a market mechanism for settlement (e.g. clearing house) which provides daily net settlement of cash flows arising from these contracts.

Amounts that do not qualify for offsetting include master netting arrangements that only permit outstanding transactions with the same counterparty to be offset in an event of default or occurrence of other predetermined events. Such master netting arrangements include the global master repurchase agreement and global master securities lending agreements for repurchase, reverse repurchase and other similar secured lending and borrowing arrangements.

The amount of the financial collateral received or pledged subject to master netting arrangements or similar agreements but not qualified for offsetting refers to the collateral received or pledged to cover the net exposure between counterparties, by enabling the collateral to be realized in an event of default or the occurrence of other predetermined events. Certain amounts of collateral are restricted from being sold or re-pledged unless there is an event of default or the occurrence of other predetermined events.

($000's)

The tables below provide the amount of financial instruments that have been offset on the balance sheet and the amounts that do not qualify for offsetting but are subject to enforceable master netting arrangements or similar agreements. The amounts presented are not intended to represent our actual exposure to credit risk.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

		As at October 31, 2018							
		Amounts subject to enforceable netting arrangements							
					Amount subject to master netting arrangement or similar agreements but do not qualify for offsetting on the balance sheet (1)				
		Gross amount of financial assets before balance sheet offsetting	Amount of financial liabilities offset on the balance sheet	Net amount of financial assets presented on the balance sheet	Impact of master netting agreement	Financial securities received for cash pledged / lent	Net amount	Amounts not subject to enforceable netting arrangements (2)	Total amount recognized on the balance sheet (3)
Assets purchased under reverse repurchase agreements and securities borrowed	$	122,295,608	876,154	121,419,454	68,376	120,808,655	542,423	-	121,419,454
Due from clients		13,871,297	802,638	13,068,659	-	-	-	-	13,068,659
Due from broker dealer		2,441,371	73,516	2,367,855	-	-	-	-	2,367,855
Total	$	138,608,276	1,752,308	136,855,968	68,376	120,808,655	542,423	-	136,855,968

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

		As at October 31, 2017							
		Amounts subject to enforceable netting arrangements							
					Amount subject to master netting arrangement or similar agreements but do not qualify for offsetting on the balance sheet (1)				
		Gross amount of financial assets before balance sheet offsetting	Amount of financial liabilities offset on the balance sheet	Net amount of financial assets presented on the balance sheet	Impact of master netting agreement	Financial securities received for cash pledged / lent	Net amount	Amounts not subject to enforceable netting arrangements (2)	Total amount recognized on the balance sheet (3)
Assets purchased under reverse repurchase agreements and securities borrowed	$	[illegible]	[illegible]	87,786,745	1,219	87,778,692	[illegible]	-	[illegible]
Due from clients		[illegible]	1,414,085	[illegible]	-	-	-	-	[illegible]
Due from broker dealer		[illegible]	140,550	[illegible]	-	-	-	-	[illegible]
Total	$	[illegible]	3,127,172	100,071,896	1,219	87,778,692	[illegible]	-	[illegible]

(1) Financial collateral is reflected at fair value. The amount of financial instruments and financial collateral disclosed is limited to the net balance sheet exposure, and any over-collateralization is excluded from the table.

(2) Refers to other bilateral transaction where we do not have an agreement in place that permits netting in any circumstances.

(3) The netted amount of the financial assets and liabilities, together with the financial assets and liabilities not subject to enforceable netting arrangement or similar arrangement, are reconciled to the amounts presented on the associated Consolidated Balance Sheet line.

($000's)

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

		As at October 31, 2018							
		Amounts subject to enforceable netting arrangements							
					Amount subject to master netting arrangement or similar agreements but do not qualify for offsetting on the balance sheet (1)				
		Gross amount of financial liabilities before balance sheet offsetting	Amount of financial liabilities offset on the balance sheet	Net amount of financial liabilities presented on the balance sheet	Impact of master netting agreement	Financial securities received for cash pledged / lent	Net amount	Amounts not subject to enforceable netting arrangements (2)	Total amount recognized on the balance sheet (3)
Obligations related to assets sold under repurchase agreements and securities loaned	$	89,882,745	876,154	89,006,591	68,376	88,869,860	68,355	-	89,006,591
Due to clients		36,891,520	802,638	36,088,882	-	-	-	-	36,088,882
Due to broker dealer		3,377,356	73,516	3,303,840	-	-	-	-	3,303,840
Total	$	130,151,621	1,752,308	128,399,313	68,376	88,869,860	68,355	-	128,399,313

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

		As at October 31, 2017							
		Amounts subject to enforceable netting arrangements							
					Amount subject to master netting arrangement or similar agreements but do not qualify for offsetting on the balance sheet (1)				
		Gross amount of financial liabilities before balance sheet offsetting	Amount of financial liabilities offset on the balance sheet	Net amount of financial liabilities presented on the balance sheet	Impact of master netting agreement	Financial securities received for cash pledged / lent	Net amount	Amounts not subject to enforceable netting arrangements (2)	Total amount recognized on the balance sheet (3)
Obligations related to assets sold under repurchase agreements and securities loaned	$	[illegible]	[illegible]	61,471,134	1,219	[illegible]	[illegible]	-	[illegible]
Due to clients		[illegible]	[illegible]	[illegible]	-	-	-	-	[illegible]
Due to broker dealer		[illegible]	[illegible]	[illegible]	-	-	-	-	[illegible]
Total	$	[illegible]	3,127,172	[illegible]	1,219	[illegible]	[illegible]	-	[illegible]

(1) Financial collateral is reflected at fair value. The amount of financial instruments and financial collateral disclosed is limited to the net balance sheet exposure, and any [illegible] is excluded from the table.

(2) Refers to other bilateral transaction where we do not have an agreement in place that permits netting in any circumstances.

(3) The netted amount of the financial assets and liabilities, together with the financial assets and liabilities not subject to enforceable netting arrangement or similar arrangement, are reconciled to the amounts presented on the associated Consolidated Balance Sheet line.

FORM 1, PART II

REPORT ON COMPLIANCE FOR INSURANCE, SEGREGATION OF SECURITIES, AND GUARANTEE/GUARANTOR *RELATIONSHIPS RELIED UPON TO REDUCE MARGIN REQUIREMENTS DURING THE YEAR*

To: The Investment Industry Regulatory Organization of Canada (the Corporation) and the Canadian Investor Protection Fund (CIPF).

We have performed the following procedures in connection with the regulatory requirements for **RBC Dominion Securities Inc./RBC Direct Investing** to maintain minimum insurance, segregate client securities, and maintain guarantee relationships as outlined in the Rules of the Corporation. Compliance with the Corporation Rules with respect to maintaining minimum insurance, the segregation of client securities, and maintaining guarantee relationships is the responsibility of the management of the Dealer Member. Our responsibility is to perform the procedures requested by you.

1. We have read the Dealer Member's written internal control policies and procedures with respect to maintaining insurance coverage and segregation of client securities to determine whether such policies and procedures meet the minimum required under Corporation Rules in regards to establishing and maintaining adequate internal controls.

2. a) We obtained representation from appropriate senior management of the Dealer Member that the Dealer Member's internal control policies and procedures with respect to insurance and segregation of client securities meet the minimum required under Corporation Rules in regards to establishing and maintaining adequate internal controls and that they have been implemented.

   b) We obtained written representation from appropriate senior management of the Dealer Member that the Dealer Member's guarantor agreements comply with the minimum requirements of IIROC Dealer Member Rule 100.15(h).

3. We read the Financial Institution Bond Form #14 (the "FIB") insurance policy(s) to determine whether the FIB policy(s) includes the minimum required clauses and coverage limits as prescribed in the Rules of the Corporation.

4. We requested and obtained confirmation from the Dealer Member's Insurance Broker(s) as at **October 31, 2018** as to the FIB coverage maintained with the Insurance Underwriter(s) including:

   a) clauses
   b) aggregate and single loss limits
   c) deductible amounts
   d) name of insurer and insured
   e) claims made on the policy since last audit
   f) details of losses/claims outstanding

5. We selected account statements for 10 clients. For each, we calculated the Client Net Equity amount. We traced the Client Net Equity amount to the Total Client Net Equity Report as at the audit date produced by the Dealer Member to check that the compilation of Client Net Equity is in accordance with the Notes and Instructions to Schedule 10 of Form 1. We agreed Total Client Net Equity from the report to Schedule 10.

6. We obtained a listing of all segregation locations used by the Dealer Member and determined that each location met the definition of *"acceptable securities locations"* as defined in the General Notes and Definitions to Form 1.

7. We selected a sample of 10 client account statements. For each we re-calculated the segregation requirements and compared the result to the Dealer Member's Segregation Report.

8. We selected **0** positions[1] reported as being undersegregated at various dates throughout the year and determined the date on which the undersegregation was corrected. We obtained explanations from the Dealer Member and reviewed them for reasonableness. Undersegregated positions not corrected in accordance with Corporation Rules are reported below.

9. We obtained the lists of hypothecated securities at **October 31, 2018** and compared a sample of **0** securities to the Segregation Report to determine if there were securities used to secure call loans which should have been in segregation.

---

[1] The sample selected must consist of the greater of: (i) 10 securities or, (ii) the total sample items selected by the auditor to support the audit opinion provided on the Statements of Form 1.

FORM 1, PART II

REPORT ON COMPLIANCE FOR INSURANCE, SEGREGATION OF SECURITIES, AND GUARANTEE/GUARANTOR RELATIONSHIPS RELIED UPON TO REDUCE MARGIN REQUIREMENTS DURING THE YEAR [Continued]

10. We selected 10 securities positions from the Stock Record and Position Report ("SRP") to identify a customer holding a position. We compared the securities positions to the customers' statements to check whether the stock message properly reported whether the positions were held in segregation. We also selected a sample of segregated securities from customer accounts and traced those back to the SRP and to the Segregation Report.
11. We obtained a list of guarantee relationships used by the Dealer Member to reduce the margin required during the year for monthly financial reporting purposes. We performed no procedures to verify the accuracy or completeness of this list.
12. We selected a sample of 10 guarantee relationships used to reduce margin required during the year and performed the following procedures:
    a) Obtained written confirmation from the guarantor of the account(s) guaranteed; and that the guarantee was in place during the year ended October 31, 2018.
    b) Compared the wording of the guarantee agreements to the minimum requirements of IIROC Dealer Member Rule 100.15(h).

As a result of applying the above procedures, there were no exceptions except as follows:

N/A - no exceptions

These procedures do not constitute an audit and therefore we express no opinion on the adequacy of the Dealer Member's insurance coverage, segregation of client securities, maintenance of guarantee relationships, or internal control policies and procedures. This report is for use solely by the Corporation and CIPF to assist in their assessment of the Dealer Member's compliance with the requirements regarding maintaining minimum insurance, segregating client securities, and maintaining guarantee relationships as outlined in the Rules of the Corporation and not for any other purpose.

PricewaterhouseCoopers LLP
(auditing firm)
Chartered Professional Accountants, Licensed Public Accountants

PricewaterhouseCoopers LLP
(signature)

December 17, 2018
(date)

Toronto, Canada
(place of issue)

Timestamp: December 17, 2018 4:27 PM
Print Date: December 17, 2018 5:08 PM

FORM 1, PART II – SCHEDULE 1

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

ANALYSIS OF LOANS RECEIVABLE, SECURITIES BORROWED AND RESALE AGREEMENTS

		AMOUNT OF LOAN RECEIVABLE OR CASH DELIVERED AS COLLATERAL C$'000 [see note 3]	MARKET VALUE OF SECURITIES DELIVERED AS COLLATERAL C$'000 [see note 4]	MARKET VALUE OF SECURITIES RECEIVED AS COLLATERAL OR BORROWED C$'000 [see note 4]	REQUIRED TO MARGIN C$'000
	LOANS RECEIVABLE:				
1.	*Acceptable institutions*	0	N/A	0	Nil
2.	*Acceptable counterparties*	0	N/A	0	0
3.	*Regulated entities*	0	N/A	0	0
4.	Others [see note 14]	0	N/A	0	0
	SECURITIES BORROWED:				
5.	*Acceptable institutions*	24,040,441	68,033,842	112,656,485	Nil
6.	*Acceptable counterparties*	5,177	2,000,979	3,982,083	5,856
7.	*Regulated entities*	3,559,049	1,827,918	15,748,871	17,560
8.	Others [see note 14]	(692)	0	0	0
	RESALE AGREEMENTS:				
9.	*Acceptable institutions*	59,206,170	N/A	59,032,861	Nil
10.	*Acceptable counterparties*	30,704,746	N/A	30,793,191	12,899
11.	*Regulated entities*	2,406,034	N/A	2,418,274	2,104
12.	Others [see note 14]	1,498,529	N/A	1,483,494	57,362
13.	**TOTAL** [Lines 1 through 12]	121,419,454			95,781
		A-6			B-9

FORM 1, PART II – SCHEDULE 2

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

ANALYSIS OF SECURITIES OWNED AND SOLD SHORT AT MARKET VALUE

	CATEGORY	MARKET VALUE LONG C$'000	MARKET VALUE SHORT C$'000	MARGIN REQUIRED C$'000
1.	Money market	4,630,754	1,131,200	120,351
	Accrued interest	0	0	NIL
	TOTAL MONEY MARKET	4,630,754	1,131,200	
2.	Debt	13,319,909	8,782,499	290,977
	Accrued interest	121,100	70,994	NIL
	TOTAL DEBT	13,441,009	8,853,493	
3.	Equities	1,309,809	14,854,398	606,234
	Accrued interest on convertible debentures	0	0	NIL
	TOTAL EQUITIES	1,309,809	14,854,398	
4.	Options	353,069	50,675	127,328
5.	Futures	NIL	NIL	1,243
6.	OTC derivatives	207,668	1,854,033	68,722
7.	Registered traders, specialists and market makers	NIL	NIL	100
8.	TOTAL	19,942,309	26,743,799	1,214,955
			A-52	B-10
9.	**LESS**: Securities, including accrued interest, segregated for client free credit ratio calculation	0		
		A-8 and D-Sec. D-2		
10.	Adjusted TOTAL	19,942,309		
		A-7		

SUPPLEMENTARY INFORMATION

11.	Market value of securities included above but held on deposit as variable base deposits or margin deposits with *acceptable clearing corporations* or *regulated entities* or as a comfort deposit with a carrying broker	358,839
12.	Margin reduction from offsets against Trader reserves and PDO guarantees	0

FORM 1, PART II – SCHEDULE 2A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

MARGIN FOR CONCENTRATION IN UNDERWRITING COMMITMENTS

INDIVIDUAL CONCENTRATION:

Description (see note 3)	Market Value C$'000	Normal Margin C$'000	40% of Net Allowable Assets C$'000	Excess C$'000	Margin already provided C$'000 (see note 2)	Concentration Margin C$'000
1. SUBTOTAL						0

OVERALL CONCENTRATION:

Description (see note 5)	Market Value C$'000	Normal Margin C$'000	100% of Net Allowable Assets C$'000	Excess C$'000	Margin already provided C$'000 (see note 4)	Concentration Margin C$'000
2. SUBTOTAL	0	0	4,174,593	(4,174,593)	0	0
3. CONCENTRATION MARGIN [Lines 1 plus 2]						0

B-11

FORM 1, PART II – SCHEDULE 2B

DATE: October 31, 2018

RBC Dominion Securities Inc /RBC Direct Investing

(Dealer Member Name)

UNDERWRITING ISSUES MARGINED AT LESS THAN THE NORMAL MARGIN RATES

Description	Maturity date	Par value or number of shares Long C$'000	Par value or number of shares Short C$'000	Market price	Market value Long C$'000	Market value Short C$'000	Effective margin rate %	Margin required C$'000	Expiry date
Cargojet Inc	Apr 30, 2024		0	100 0000		0	0 00	0	Nov 06, 2018
Royal Bank of Canada Preferred Shares		195		25 0000	4,875		7 50	366	Nov 02, 2018
Inter Pipeline Ltd		1,210		20 8000	25,168		7 50	1,888	Nov 07, 2018
TOTALS					30,043	0		2,254	

Timestamp: December 13, 2018 5:20 PM
Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 4

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

ANALYSIS OF CLIENTS' TRADING ACCOUNTS LONG AND SHORT

	CATEGORY	BALANCES DEBIT C$'000	BALANCES CREDIT C$'000	AMOUNT REQUIRED TO FULLY MARGIN C$'000
1.	*Acceptable institutions*	1,421,337	8,019,099	0
2.	*Acceptable counterparties*	2,914,612	7,468,632	384
3.	Other clients:			
	(a) Margin accounts	2,823,608	717,480	2,938
	(b) Cash accounts	5,871,648	2,454,949	46,167
	(c) Futures accounts	7,545	111,191	100,515
	(d) Unsecured debits and shorts	2,955	N/A	2,971
4.	Margin on extended settlements	N/A	N/A	0
5.	Free credits	N/A	9,596,408 D-Sec. A-2	N/A
5.	(a) Free credits, pending trades [if applicable]	N/A	0	N/A
6.	RRSP and other similar accounts	28,111	7,721,123	783
7.	**Less** - allowance for bad debts	1,157	0	495
8.	TOTAL	13,068,659 A-9	36,088,882 A-53	153,263 B-12

9. **SUPPLEMENTARY DISCLOSURE:**

(a) NAME OF RRSP TRUSTEE(S)

1. The Royal Trust Company
2.
3.

(b) Total margin reductions from offsets against IA reserves and PDO guarantees: 0

FORM 1, PART II – SCHEDULE 4A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Firm Name)

LIST OF TEN LARGEST VALUE DATE TRADING BALANCES WITH ACCEPTABLE INSTITUTIONS AND ACCEPTABLE COUNTERPARTIES

[excluding balances less than 20% of Risk Adjusted Capital or $250,000, whichever is the smaller]

Name of Institution	On approved *acceptable institutions/acceptable counterparty* list Yes/No	*Acceptable institution*	*Acceptable counterparty*	Debits C$'000	Credits C$'000	Margin C$'000
West Face Long Term	No		AC	0	385,983	0
RBC	Yes	AI		0	328,866	0
TD	No		AC	0	326,130	0
Peridian Ltd.	No		AC	126,410	0	0
First Canadian Insurance	No		AC	96,231	0	0
E-L Financial Corporation	Yes		AC	89,998	0	0
Picton Mahoney	No		AC	0	59,070	0
Her Majesty The Queen In Right Of Albert	Yes	AI		0	38,968	0
The Canada Life Assurance Co	Yes	AI		21,913	0	0
Millennium Insurance	No		AC	12,268	0	0
TOTALS				346,820	1,139,017	0

Feb-2011

Timestamp: December 13, 2018 5:20 PM
Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 5

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

ANALYSIS OF BROKERS' AND DEALERS' TRADING BALANCES

	CATEGORY	BALANCES DEBIT C$'000	BALANCES CREDIT C$'000	AMOUNT REQUIRED TO FULLY MARGIN C$'000
1.	*Acceptable clearing corporations* trading balances [see notes]	780,780	656,078	240
2.	*Regulated entities* [see notes]	764,384	1,838,609	18,037
3.	(a) Dealer Member's own affiliated/related partnerships or corporations duly approved and audited under the capital requirements of the Corporation	0	0	0
	(b) Dealer Member's own affiliated/related partnerships or corporations - not approved [see note 6 - give details]	0	771,271	0
4.	(a) Other brokers and dealers not qualifying as *regulated entities* but qualifying as *acceptable counterparties* [see note 7 - give details]	818,580	37,882	0
	(b) Other brokers and dealers not qualifying as *regulated entities* or *acceptable counterparties* [see note 8 - give details]	3,073	0	0
5.	Mutual Funds or their agents [see note 9]	1,038	0	0
6.	TOTAL	2,367,855	3,303,840	18,277
		A-10	A-54	B-13

FORM 1, PART II – SCHEDULE 6

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

CURRENT INCOME TAXES

RBC Dominion Securities Inc. and Direct Investing Inc. **C$'000**

INCOME TAX LIABILITY (ASSET)

1.	Balance payable (recoverable) at last year-end		71,272
2.	*(a) Payments (made) or received relating to above balance*	(84,441)	
	(b) Adjustments, including reassessments, relating to prior periods [give details if significant]	(1,217)	
3.	Total adjustment to prior years' payable (recoverable) taxes prior periods [give details if significant]		(85,658)
4.	Subtotal [add or subtract Line 3 from Line 1]	(14,386)	
5.	Income tax expense (recovery)	407,467 E-37	
6.	less: Current installments	379,330	
7.	Other adjustments [give details if significant]	6,868	
8.	Total adjustment for current year's taxes		35,005
9.	TOTAL LIABILITY (ASSET) [add or subtract Line 8 from Line 4]		20,619 A-13, if asset A-56, if liability

Feb-2011

Timestamp: December 13, 2018 5:20 PM
Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 6A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

TAX RECOVERIES

			C$'000
A.		**TAX RECOVERY FOR RISK ADJUSTED CAPITAL**	
1.	Sch. 6-5	Income tax expense (recovery) [must be greater than 0, else N/A]	413,489
2.	A-21	Commission and/or fees receivable (non allowable assets) of $ 37,621 multiplied by an effective corporate tax rate of 26.80 %	10,082
3.		TAX RECOVERY - ASSETS [100% of lesser of Lines 1 and 2]	10,082
4.		Balance of current income tax expense available for margin and securities concentration charge tax recovery [Line 1 minus Line 3]	403,407
5.		Recoverable taxes from preceding three years of $ 424,078 net of current year tax recovery (if applicable) of $ 0	424,078
6.		Total available for margin tax recovery [Line 4 plus Line 5]	827,485
7.	B-24	Total margin required of $ 2,463,239 multiplied by an effective corporate tax rate of 26 80 %	660,148
8.		TAX RECOVERY - MARGIN [75% of lesser of Lines 6 and 7]	495,111
9.		TOTAL TAX RECOVERY BEFORE TAX RECOVERY ON SECURITIES CONCENTRATION CHARGE [Line 3 plus Line 8]	505,193 B-26
10.		Balance of taxes available for securities concentration charge tax recovery [Line 6 minus Line 8, must be greater than 0, else N/A]	332,374
11.	Sch. 9	Total securities concentration charge of $ 0 multiplied by an effective corporate tax rate of 26.80 %	0
12.		TAX RECOVERY - SECURITIES CONCENTRATION CHARGE [75% of lesser of Lines 10 and 11]	0 B-28
13.		TOTAL TAX RECOVERY RAC [Line 3 plus Line 8 plus Line 12]	505,193 C-3
B.		**TAX RECOVERY FOR EARLY WARNING CALCULATION:**	
1.	Sch. 6-5	Income tax expense (recovery) [must be greater than 0, else N/A]	413,489
2.	A-15	Commission and/or fees receivable (allowable assets) $ 1,793	
3.	A-21	Commission and/or fees receivable (non allowable assets) $ 37,621	
4.		SUBTOTAL [Line 2 plus Line 3]	39,414
5.		Line 4 multiplied by an effective corporate tax rate of 26.80 %	10,563
6.		TAX RECOVERY - INCOME ACCRUALS [100% of lesser of Lines 1 and 5]	10,563 C-10

Jul-2013

FORM 1, PART II – SCHEDULE 7

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

ANALYSIS OF OVERDRAFTS, LOANS, SECURITIES LOANED AND REPURCHASE AGREEMENTS

	AMOUNT OF LOAN PAYABLE OR CASH RECEIVED AS COLLATERAL C$'000 [see note 3]	MARKET VALUE OF SECURITIES RECEIVED AS COLLATERAL C$'000 [see note 4]	MARKET VALUE OF SECURITIES DELIVERED AS COLLATERAL OR LOANED C$'000 [see note 4]	REQUIRED TO MARGIN C$'000
1. Bank overdrafts	310,000	N/A	N/A	Nil
LOANS PAYABLE:				
2. *Acceptable institutions*	8,354,644	N/A	9,190,109	Nil
3. *Acceptable counterparties*	0	N/A	0	0
4. *Regulated entities*	0	N/A	0	0
5. Others	0	N/A	0	0
SECURITIES LOANED:				
6. *Acceptable institutions*	8,226	7,251,557	32,025,543	Nil
7. *Acceptable counterparties*	949,801	0	2,801,010	97,522
8. *Regulated entities*	1,305,442	3,511,002	14,048,110	14,555
9. Others	42	35,398	35,484	0
REPURCHASE AGREEMENTS:				
10. *Acceptable institutions*	15,018,066	N/A	15,549,198	Nil
11. *Acceptable counterparties*	57,948,506	N/A	58,635,532	215,342
12. *Regulated entities*	1,133,600	N/A	1,125,108	0
13. Others	3,978,265	N/A	4,004,550	29,557
14. **TOTAL** [Lines 1 through 13]	89,006,592 A-51			356,976 B-14

Oct-2015

Timestamp: December 13, 2018 5:20 PM
Print Date. December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 7A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

CASH AND SECURITIES BORROWING AND LENDING ARRANGEMENTS CONCENTRATION CHARGE

			C$'000
1.	Sch. 1, Line 2	Market value deficiency amount relating to loans receivable from *acceptable counterparties*, net of legal offsets and margin already provided	0
2.	Sch. 1, Line 3	Market value deficiency amount relating to loans receivable from *regulated entities*, net of legal offsets and margin already provided	0
3.	Sch. 1, Line 6	Market value deficiency amount relating to securities borrowed from *acceptable counterparties*, net of legal offsets and margin already provided	0
4.	Sch. 1, Line 7	Market value deficiency amount relating to securities borrowed from *regulated entities*, net of legal offsets and margin already provided	0
5.	Sch. 7, Line 3	Market value deficiency amount relating to loans payable to *acceptable counterparties*, net of legal offsets and margin already provided	0
6.	Sch. 7, Line 4	Market value deficiency amount relating to loans payable to *regulated entities*, net of legal offsets and margin already provided	0
7.	Sch 7, Line 7	Market value deficiency amount relating to securities lent to *acceptable counterparties*, net of legal offsets and margin already provided	0
8.	Sch. 7, Line 8	Market value deficiency amount relating to securities lent to *regulated entities*, net of legal offsets and margin already provided	0
9.		TOTAL MARKET VALUE DEFICIENCY EXPOSURE WITH ACCEPTABLE COUNTERPARTIES AND REGULATED ENTITIES, NET OF LEGAL OFFSETS AND MARGIN ALREADY PROVIDED [Sum of Lines 1 to 6]	0
10.		CONCENTRATION THRESHOLD – 100% OF NET ALLOWABLE ASSETS	4,174,593
11.		CONCENTRATION CHARGE [Excess of Line 9 over Line 10, otherwise NIL]	0
			B-21

Oct-2015

Timestamp: December 13, 2018 5:20 PM
Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 9

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

CONCENTRATION OF SECURITIES

[excluding securities required to be in segregation or safekeeping & debt securities with a margin rate of 10% or less (see note 5)]

Description of Security	Adjusted amount loaned C$'000	Concentration charge C$'000
SPDR S&P 500 ETF Trust	937,271	0
Royal Bank of Canada	308,821	0
Shopify Inc. CL A	126,006	0
Apple Inc.	101,090	0
Amazon.com Inc.	92,562	0
Toronto-Dominion Bank	82,636	0
BCE Inc	79,983	0
Bank of Montreal	78,640	0
Bank of Nova Scotia	68,093	0
ISHARES S&P/TSX60 INDEX ETF	66,959	0
		0

B-28

FORM 1, PART II – SCHEDULE 10

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

INSURANCE

A. FINANCIAL INSTITUTION BOND (FIB) CLAUSES (A) TO (E)

C$'000

1.	Coverage required for FIB				
(a)	Client Net Equity:				
	i) Dealer Member's own	481,219,419			
	ii) Carrying brokers' introducing brokers	0			
	Total	481,219,419	x 1%*	4,812,194	[Note 3]
(b)	Total Liquid Assets (A-12)	165,513,870			
	Total Other Allowable Assets (A-18)	65,503			
	Total	165,579,373	x 1%*	1,655,794	

The actual coverage required for each clause is the Greater of (a) and (b), with a Minimum Requirement of $500,000 ($200,000 for a Type 1 Introducing Broker), and a Maximum Requirement of $25,000,000. — 25,000

*based on one half of one percent for Types 1 and 2 Introducing Brokers

2.	Coverage maintained per FIB	65,000	[Notes 4 and 8]
3.	Excess / (Deficiency) in coverage	40,000	[Note 5]
4.	Amount deductible under FIB (if any)	3,500	[Note 6]
		B-16	

B. REGISTERED MAIL INSURANCE

1.	Coverage per mail policy	100,000	[Note 7]

C. FIB AND REGISTERED MAIL POLICY INFORMATION [Note 9]

Insurance company	Name of the insured	FIB/ registered mail	Expiry date	Coverage	Type of aggregate limit	Provision for full reinstatement	Premium
Lloyd's	RBC DS Inc	FIB	Jun 01, 2019	10,000	DBL	N/A	387
Lloyd's & GCNA	RBC DS Inc	FIB	Jun 01, 2019	15,000	DBL	N/A	323
Lloyd's & GCNA	RBC DS Inc	FIB	Jun 01, 2019	15,000	DBL	N/A	160
Lloyd's	RBC DI	FIB	Jun 01, 2019	10,000	DBL	N/A	31
Lloyd's & GCNA	RBC DI	FIB	Jun 01, 2019	15,000	DBL	N/A	26
Lloyds of London	RBC	REG	Jun 01, 2019	100,000	N/A	N/A	293

FORM 1, PART II – SCHEDULE 10 [Continued]

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

INSURANCE

D. LOSSES AND CLAIMS [Note 10]

Date of loss	Date of discovery	Amount of loss	Deductible applying to loss	Description	Claim made?	Settlement	Date settled
Jan 01, 2015	Dec 13, 2017	0	0	o misappropriate funds	Yes	0	

FORM 1, PART II – SCHEDULE 11

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

UNHEDGED FOREIGN CURRENCIES CALCULATION

C$'000

SUMMARY

A. Total foreign exchange margin requirement — 1,888 (B-17)

B. Details for individual currencies with margin requirement greater than or equal to $5,000:

Foreign Currency with margin requirement ≥ $5,000 (For each foreign currency, a schedule 11A must be completed)	Margin Group	Required Margin
Argentina - Peso	Group 4	39
Brazil - Real	Group 4	7
Euro	Group 2	42
Hong Kong - Dollar	Group 3	12
Malaysia - Ringgit	Group 3	9
Other	Group 4	5
Other	Group 4	6
Other	Group 4	9
Other	Group 4	10
		(3 Records not listed)

Subtotal	1,873
All other foreign exchange margin requirement	15
TOTAL	1,888

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: Argentina - Peso

Margin Group: Group 4

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	8,790	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	4,553	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	4,237		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 4 of 12 50 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 4 of 12 50 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	4,237		
16. Net foreign exchange position multiplied by spot risk for Group Group 4 of 25.00 %			1,059
17. Total term risk and spot risk margin requirement			1,059
18. Spot rate at reporting date			0.03666000
19. Margin requirement converted to Canadian dollars			39
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): Argentina - Peso			39
			Sch. 11

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: **Brazil - Real**

Margin Group: **Group 4**

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	74	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	148	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	(74)		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 4 of 12 50 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. *Total monetary liabilities*	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	(74)		
16. Net foreign exchange position multiplied by spot risk for Group Group 4 of 25.00 %			19
17. Total term risk and spot risk margin requirement			19
18. Spot rate at reporting date			0.35462000
19. Margin requirement converted to Canadian dollars			7
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): **Brazil - Real**			7
			Sch. 11

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: **Euro**

Margin Group: **Group 2**

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	269,816	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	269,676	0	
4. Total (short) forward / futures contract positions	1,000	70	
5. Net long (short) foreign exchange positions	(860)		
6. Net weighted value		(70)	
7. Net weighted value multiplied by term risk for Group Group 2 of 3 00 %			2
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. *Total monetary liabilities*	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 2 of 3.00 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	(860)		
16. Net foreign exchange position multiplied by spot risk for Group Group 2 of 3.00 %			26
17. Total term risk and spot risk margin requirement			28
18. Spot rate at reporting date			1 49090000
19. Margin requirement converted to Canadian dollars			42
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): **Euro**			42
			Sch. 11

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: Hong Kong - Dollar

Margin Group: Group 3

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	152,356	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	151,663	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	693		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 3 of 5.00 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 3 of 5.00 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	693		
16. Net foreign exchange position multiplied by spot risk for Group Group 3 of 10.00 %			69
17. Total term risk and spot risk margin requirement			69
18. Spot rate at reporting date			0 16786000
19. Margin requirement converted to Canadian dollars			12
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): Hong Kong - Dollar			12

Sch. 11

Jul-2013

Timestamp December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: Malaysia - Ringgit

Margin Group: Group 3

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	554	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	278	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	276		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 3 of 5.00 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 3 of 5.00 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	276		
16. Net foreign exchange position multiplied by spot risk for Group Group 3 of 10 00 %			28
17. Total term risk and spot risk margin requirement			28
18. Spot rate at reporting date			0.31444000
19. Margin requirement converted to Canadian dollars			9
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): Malaysia - Ringgit			9

Sch. 11

Jul-2013

Timestamp: December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: Other

Margin Group: Group 4

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	223	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	111	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	112		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	112		
16. Net foreign exchange position multiplied by spot risk for Group Group 4 of 25 00 %			28
17. Total term risk and spot risk margin requirement			28
18. Spot rate at reporting date			0.18870000
19. Margin requirement converted to Canadian dollars			5
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): Other			5
			Sch. 11

Timestamp December 13, 2018 5 20 PM

Print Date December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: Other

Margin Group: Group 4

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	1,997	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	1,003	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	994		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	994		
16. Net foreign exchange position multiplied by spot risk for Group Group 4 of 25.00 %			249
17. Total term risk and spot risk margin requirement			249
18. Spot rate at reporting date			0.02466000
19. Margin requirement converted to Canadian dollars			6
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): Other			6

Sch 11

Jul-2013

Timestamp: December 13, 2018 5.20 PM

Print Date December 14, 2018 9 55 AM

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: **Other**

Margin Group: **Group 4**

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	866	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	718	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	148		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	148		
16. Net foreign exchange position multiplied by spot risk for Group Group 4 of 25.00 %			37
17. Total term risk and spot risk margin requirement			37
18. Spot rate at reporting date			0.23544000
19. Margin requirement converted to Canadian dollars			9
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): **Other**			9

Sch. 11

Jul-2013

Timestamp December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: Other

Margin Group: Group 4

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	257	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	128	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	129		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 4 of 12.50 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	129		
16. Net foreign exchange position multiplied by spot risk for Group Group 4 of 25 00 %			32
17. Total term risk and spot risk margin requirement			32
18. Spot rate at reporting date			0.31934000
19. Margin requirement converted to Canadian dollars			10
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): Other			10

Sch. 11

Jul-2013

Timestamp: December 13, 2018 5 20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: **Poland - Zloty**

Margin Group: **Group 3**

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	429	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	215	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	214		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group **Group 3** of 5.00 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group **Group 3** of 5.00 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	214		
16. Net foreign exchange position multiplied by spot risk for Group **Group 3** of 10.00 %			21
17. Total term risk and spot risk margin requirement			21
18. Spot rate at reporting date			0.34275000
19. Margin requirement converted to Canadian dollars			7
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): **Poland - Zloty**			7

Sch. 11

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: United States - Dollar

Margin Group: Group 1

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	57,689,431	0	
2. Total long forward / futures contract positions	1,928,479	0	
3. Total monetary liabilities	59,480,852	0	
4. Total (short) forward / futures contract positions	128,479	69,589	
5. Net long (short) foreign exchange positions	8,579		
6. Net weighted value		(69,589)	
7. Net weighted value multiplied by term risk for Group Group 1 of 1.00 %			696
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 1 of 1.00 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	8,579		
16. Net foreign exchange position multiplied by spot risk for Group Group 1 of 2.20 %			189
17. Total term risk and spot risk margin requirement			885
18. Spot rate at reporting date			1.31630000
19. Margin requirement converted to Canadian dollars			1,165
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): United States - Dollar			1,165

Sch. 11

FORM 1, PART II – SCHEDULE 11A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

DETAILS OF UNHEDGED FOREIGN CURRENCIES CALCULATION FOR INDIVIDUAL CURRENCIES WITH MARGIN REQUIRED GREATER THAN OR EQUAL TO $5,000

Foreign Currency: **United States - Dollar**

Margin Group: **Group 1**

	AMOUNT	WEIGHTED VALUE	MARGIN REQUIRED
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS <= TWO YEARS TO MATURITY			
1. Total monetary assets	1,388,705	0	
2. Total long forward / futures contract positions	0	0	
3. Total monetary liabilities	1,369,300	0	
4. Total (short) forward / futures contract positions	0	0	
5. Net long (short) foreign exchange positions	19,405		
6. Net weighted value		0	
7. Net weighted value multiplied by term risk for Group Group 1 of 1.00 %			0
BALANCE SHEET ITEMS AND FORWARD/FUTURE COMMITMENTS > TWO YEARS TO MATURITY			
8. Total monetary assets	0	0	
9. Total long forward / futures contract positions	0	0	
10. Total monetary liabilities	0	0	
11. Total (short) forward / futures contract positions	0	0	
12. Net long (short) foreign exchange positions	0		
13. Greater of long or (short) weighted values		0	
14. Net weighted value multiplied by term risk for Group Group 1 of 1.00 %			0
FOREIGN EXCHANGE MARGIN REQUIREMENTS			
15. Net long (short) foreign exchange positions	19,405		
16. Net foreign exchange position multiplied by spot risk for Group Group 1 of 2.20 %			427
17. Total term risk and spot risk margin requirement			427
18. Spot rate at reporting date			1.31630000
19. Margin requirement converted to Canadian dollars			562
FOREIGN EXCHANGE CONCENTRATION CHARGE			
20. Total foreign exchange margin (Line 19) in excess of 25% of net allowable assets less minimum capital [not applicable to Group 1]			0
TOTAL FOREIGN EXCHANGE MARGIN FOR (Currency): United States - Dollar			562

Sch. 11

Jul-2013

Timestamp: December 13, 2018 5 20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 12

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member's Name)

MARGIN ON FUTURES CONCENTRATIONS AND DEPOSITS
(refer to notes and instructions)

		Margin Required C$'000
1.	Total open futures contract and short futures contract option positions	0
2.	Concentration in individual accounts	0
3.	Concentration in individual open futures contracts and short futures contract options	0
4.	Deposits with correspondent brokers	0
5.	TOTAL [lines 1 through 4]	0
		B-18

FORM 1, PART II – SCHEDULE 13

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing

(Dealer Member Name)

EARLY WARNING TESTS - LEVEL 1

C$'000

A. LIQUIDITY TEST

Is Early Warning Reserve (Stmt. C, Line 13) **less than 0?** NO (YES/NO)

B. CAPITAL TEST

1.	Risk Adjusted Capital (RAC) [Stmt. B, Line 29]	2,216,297	
2.	Total Margin Required [Stmt. B, Line 24] 2,463,239 multiplied by 5%	123,162	
	Is Line 1 less than Line 2?		NO (YES/NO)

C. PROFITABILITY TEST #1

		Months	Profit or loss for 6 months ending with current month [note 2] C$'000	Profit or loss for 6 months ending with preceding month [note 2] C$'000
1.	Current month	Oct 2018	138,440	
2.	Preceding month	Sep 2018	141,636	141,636
3.	3rd month	Aug 2018	129,926	129,926
4.	4th month	Jul 2018	123,762	123,762
5.	5th month	Jun 2018	157,057	157,057
6.	6th month	May 2018	160,432	160,432
7.	7th month	Apr 2018		125,906
8.	TOTAL [note 3]		851,253	838,719
9.	AVERAGE multiplied by -1		N/A	N/A
10A.	RAC [at Form 1 date]		N/A	
10B.	RAC [at preceding month end]			N/A
11A.	Line 10A divided by Line 9		N/A	
11B.	Line 10B divided by Line 9			N/A

Are both of the following conditions true:

1. **Line 11A is greater than or equal to 3 but less than 6, and**
2. **Line 11B less than 6?**

NO (YES/NO)

D. PROFITABILITY TEST #2

1.	Loss for current month [notes 2 and 4] N/A multiplied by -6	N/A	
2.	RAC [at Form 1 date]	N/A	
	Is Line 2 less than Line 1?		NO (YES/NO)

Jul-2013

Timestamp: December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

FORM 1, PART II – SCHEDULE 13A

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

EARLY WARNING TESTS - LEVEL 2

C$'000

A. LIQUIDITY TEST

Is Early Warning Excess (Stmt. C, Line 11) **less than 0?** — NO (YES/NO)

B. CAPITAL TEST

1.	Risk Adjusted Capital (RAC) [Stmt. B, Line 29]		2,216,297	
2.	Total Margin Required [Stmt. B, Line 24] 2,463,239	multiplied by 2%	49,265	
	Is Line 1 less than Line 2?			NO (YES/NO)

C. PROFITABILITY TEST #1

Is Schedule 13, Line 11A less than 3 AND Schedule 13, Line 11B less than 6? — NO (YES/NO)

D. PROFITABILITY TEST #2

1.	Loss for current month [notes 2 and 4} N/A	multiplied by -3	N/A	
2.	RAC [at Form 1 date]		N/A	
	Is Line 2 less than Line 1?			NO (YES/NO)

E. PROFITABILITY TEST #3

		Months	Profit or loss for 3 months ending with current month [note 2] C$'000	
1.	Current month	Oct 2018	138,440	
2.	Preceding month	Sep 2018	141,636	
3.	3rd month	Aug 2018	129,926	
4.	TOTAL [note 5]		410,002	
5.	RAC [at Form 1 date]		2,216,297	
	Is loss on Line 4 greater than Line 5?			NO (YES/NO)

F. FREQUENCY PENALTY

Has Dealer Member:

1.	**Triggered Early Warning at least 3 times in the past 6 months or is RAC less than 0?**		NO (YES/NO)
2.	**Triggered Liquidity or Capital Tests on Schedule 13?**	NO (YES/NO)	
3.	**Triggered Profitability Tests on Schedule 13?**	NO (YES/NO)	
4.	**Are Lines 2 and 3 both YES?**		NO (YES/NO)

Jul-2013

FORM 1, PART II – SCHEDULE 14

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

PROVIDER OF CAPITAL CONCENTRATION CHARGE

Royal Bank of Canada
(Name of Provider of Capital)

		C$'000
A.	**CALCULATION OF CASH AND UNDERSECURED LOANS WITH PROVIDER OF CAPITAL**	
1.	Cash on deposit with *provider of capital*	562,621
2.	Cash, held in trust with *provider of capital,* due to free credit ratio calculation	0
3.	Loans receivable - undersecured loans receivable from *provider of capital* relative to normal commercial terms	0
4.	Loans receivable - secured loans receivable from *provider of capital* that are secured by investments in securities issued by the *provider of capital*	0
5.	Securities borrowed - securities borrowing agreements with the *provider of capital* that are undersecured relative to normal commercial terms	184,190
6.	Securities borrowed - secured securities borrowing agreements with the *provider of capital* that are secured by investments in securities issued by the *provider of capital*	0
7.	Resale agreements - agreements with the *provider of capital* that are undersecured relative to normal commercial terms	147,651
8.	Commissions and fees receivable from the *provider of capital*	1,498
9.	Interest and dividends receivable from the *provider of capital*	7,981
10.	Other receivables from the *provider of capital*	55,729
11.	Loans payable - loans payable to the *provider of capital* that are overcollateralized relative to normal commercial terms	0
12.	Securities lent - agreements with the *provider of capital* that are overcollateralized relative to normal commercial terms	0
13.	Repurchase agreements - agreements with the *provider of capital* that are overcollateralized relative to normal commercial terms	270
LESS:		
14.	Bank overdrafts with the *provider of capital*	310,000
15.	TOTAL CASH DEPOSITS AND UNDERSECURED LOANS WITH PROVIDER OF CAPITAL	649,940
B.	**CALCULATION OF INVESTMENTS IN SECURITIES ISSUED BY THE PROVIDER OF CAPITAL**	
1.	Investments in securities issued by the *provider of capital* (net of margin provided)	1,773,042
LESS:		
2.	Loans payable to *provider of capital* that are linked to the assets above and are limited recourse	1,500,000
3.	Securities issued by the *provider of capital* sold short provided they are used as part of a valid offset with the investments reported in Section B, Line 1 above	0
4.	TOTAL INVESTMENTS IN SECURITIES ISSUED BY THE PROVIDER OF CAPITAL	273,042

FORM 1, PART II – SCHEDULE 14 [Continued]

DATE: October 31, 2018

RBC Dominion Securities Inc./RBC Direct Investing
(Dealer Member Name)

PROVIDER OF CAPITAL CONCENTRATION CHARGE

Royal Bank of Canada
(Name of Provider of Capital)

				C$'000
C.		**CALCULATION OF FINANCIAL STATEMENT CAPITAL PROVIDED BY THE PROVIDER OF CAPITAL**		
1.		*Regulatory financial statement capital provided by the provider of capital* (including pro-rata share of reserves and retained earnings)		4,800,039
D.		**NET ALLOWABLE ASSETS**		
1.		Net Allowable Assets		4,174,593
E.		**EXPOSURE TEST #1 - DOLLAR CAP ON CASH DEPOSITS AND UNDERSECURED LOANS**		
1.	Sec. C, Line 1	*Regulatory financial statement capital provided by the provider of capital*		4,800,039
2.	Sec. A, Line 15	Cash deposits and undersecured loans with *provider of capital*		649,940
3.		*Regulatory financial statement capital* redeposited or lent back on an undersecured basis [Minimum of Section E, Line 1 and Section E, Line 2]		649,940
4.		Exposure threshold		$50,000
5.		Capital requirement [Excess of Section E, Line 3 over Section E, Line 4]		599,940
F.		**EXPOSURE TEST #2 - OVERALL CAP ON CASH DEPOSITS AND UNDERSECURED LOANS AND INVESTMENTS**		
1.	Sec. C, Line 1	*Regulatory financial statement capital provided by the provider of capital*		4,800,039
2.	Sec. A, Line 15	Cash deposits and undersecured loans with *provider of capital*	649,940	
3.	Sec. B, Line 4	Investments in securities issued by the *provider of capital*	273,042	
4.		Total cash deposits and undersecured loans and investments [Section F, Line 2 plus Section F, Line 3]		922,982
5.		*Regulatory financial statement capital* redeposited or lent back on an undersecured basis or invested in securities issued by the *provider of capital* [Minimum of Section F, Line 1 and Section F, Line 4]		922,982
LESS:				
6.	Sec. E, Line 5	Capital charge incurred under Exposure Test #1		599,940
7.		Net financial statement capital redeposited or lent back on an undersecured basis or invested in securities issued by the *provider of capital* [Section F, Line 5 minus Section F, Line 6]		323,042
8.		Exposure threshold being the greater of:		
		(a) Ten million dollars	$10,000	
		(b) 20% of Net Allowable Assets [20% of Section D, Line 1]	834,919	834,919
9.		Capital requirement [Excess of Section F, Line 7 over Section F, Line 8]		0
10.		TOTAL PROVIDER OF CAPITAL CONCENTRATION CHARGE [Section E, Line 5 plus Section F, Line 9]		599,940

Timestamp: December 13, 2018 5:20 PM

Print Date: December 14, 2018 9:55 AM

Other Receivables - Statement A

Description
Receivable from Royal Trust corporation of Canada
Receivable from RBC

Other Assets - Statement A

Description
Prepaid
Employee Loans & Advances
Syndicates
Sundry Investments
Pension Asset
Other Receivables

Current Liabilities - Statement A

Description
Payable to Subs & Affiliated Companies
Dividends Payable
Other Taxes Payable
Demand Loan Payable to RBHI - Dividend
Demand Loan Payable to RBC DS Ltd. - Dividend
Demand Loan Payable To RBHI - Stability
Demand Loan Payable to RBHI - DS Global
Due to Issuer

RBC Dominion Securities Inc./RBC Direct Investing
Form 1 Line Details - October, 2018

Long Term Liabilities - Statement A

Description
Long term loan payable to DS Ltd.

Other Amounts Required - Statement B

Description
Guarantee for obligation RBC CM Reg.

Other Revenue - Statement E

Description
PCD FX Commissions
DI FX Handling fees
Wealth Management Financial Services Dividend
DI Other

E37 - Income expense (recovery), including taxes on profit (loss) from discontinued operations

Description	Notes
Current Income tax	
Deferred Income tax	
Taxes on profit (loss) from discontinued operations	
Other	

RBC Dominion Securities Inc./RBC Direct Investing
Form 1 Line Details - October, 2018

Schedule 2B - Underwriting Issues

Description	Maturity Date	Number of Shares	Market Price	Factor	Market Value	Margin Rate	Margin Required
Cargojet Inc.	04/30/2024	0	100.0000	1,000.00000	0	0.00%	0
Royal Bank of Canada Preferred Shares		195	25.0000	1,000.00000	4,875	7.50%	366
Inter Pipeline Ltd.		1,210	20.8000	1,000.00000	25,168	7.50%	1,888

RBC Dominion Securities Inc./RBC Direct Investing
Form 1 Line Details - October, 2018

Schedule 4A - Trading Balances

Institution Name	Approved List?	Institution	Debits	Cre
West Face Long Term	No	Acceptable Counterparty	0	385
RBC	Yes	Acceptable Institution	0	328
TD	No	Acceptable Counterparty	0	326
Peridian Ltd.	No	Acceptable Counterparty	126,410	
First Canadian Insurance	No	Acceptable Counterparty	96,231	
E-L Financial Corporation	Yes	Acceptable Counterparty	89,998	
Picton Mahoney	No	Acceptable Counterparty	0	59
Her Majesty The Queen In Right Of Albert	Yes	Acceptable Institution	0	38
The Canada Life Assurance Co	Yes	Acceptable Institution	21,913	
Millennium Insurance	No	Acceptable Counterparty	12,268	
			346,820	**1,139.**

RBC Dominion Securities Inc./RBC Direct Investing
Form 1 Line Details - October, 2018

Schedule 5 - 3b Details

Description	Debits	Credits
RBC Capital Markets LLC	0	771,271
	0	**771,271**

Schedule 5 - 4a Details

Description	Debits	Credits
Shorcan Brokers Ltd	553,348	0
Freedom International Brokerage Inc.	265,232	0
Tullett Prebon	0	37,882
	818,580	**37,882**

Schedule 5 - 4b Details

Description	Debits	Credits
Canoe Financial LP	2,078	0
Mizuho Securities Co	995	0
	3,073	**0**

Schedule 6 - Details

Dealer Member	Line Number	Description
RBC Dominion Securities Inc and Direct Investing Inc.	A2B	Audit adjustments
RBC Dominion Securities Inc and Direct Investing Inc.	A7	Book to return 2017
RBC Dominion Securities Inc. and Direct Investing Inc.	A7	Transfer from capital tax account
RBC Dominion Securities Inc. and Direct Investing Inc.	A7	London Branch
RBC Dominion Securities Inc. and Direct Investing Inc.	A7	Euroclear
RBC Dominion Securities Inc. and Direct Investing Inc.	A7	AFS ADP account only (not in eGL)

Schedule 9 - Concentration of Securities

SPDR S&P 500 ETF Trust — **Adjusted Amount Loaned:** 937,271 — **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
SPDR S&P 500 ETF Trust	3,757,647	0	356.2700	1.0000	1,338,737	30.0000%	937,116	0	937,116	
SPDR S&P 500 ETF Trust	0	578	356.2700	1.0000	206	25.0000%	155	0	155	

Royal Bank of Canada — **Adjusted Amount Loaned:** 308,821 — **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
Royal Bank of Canada Long	4,042,047	0	95.8300	1.0000	387,349	30.0000%	271,144	0	271,144	
Royal Bank of Canada 4% Non-Cum 5YR Rese	181,429	0	22.8000	1.0000	4,137	30.0000%	2,896	0	2,896	
Royal BK CDA 3.90% NC RT RST 1st PFD SER	350,513	0	22.9000	1.0000	8,027	30.0000%	5,619	0	5,619	
Royal Bank of Canada 3.60% Non-Cum RT RS	131,226	0	23.6200	1.0000	3,100	30.0000%	2,170	0	2,170	
Royal Bank of Canada Non-Cum 3.60% Rate	108,921	0	23.7500	1.0000	2,587	30.0000%	1,811	0	1,811	
Royal Bank of Canada 5.50% Non Cum RT RS	310,036	0	25.9000	1.0000	8,030	30.0000%	5,621	0	5,621	
Royal Bank of Canada 4.90% Non Cumulativ	43,588	0	23 3100	1.0000	1,016	30.0000%	711	0	711	
Royal Bank of Canada Non-Cum 5.25% FRST	17,158	0	24.3400	1.0000	418	30.0000%	293	0	293	
Royal Bank of Canada 5.5% Non-Cum RT RST	91,065	0	25.9100	1.0000	2,359	30.0000%	1,651	0	1,651	
Royal Bank of Canada 4.9% Non-Cum 1st PF	74,757	0	23.8900	1.0000	1,786	30.0000%	1,250	0	1,250	
Royal Bank of Canada 4.45% Non-Cum 1st P	12,479	0	24.9800	1.0000	312	30.0000%	218	0	218	
Royal Bank of Canada 4.60% Non-Cum 1st P	14,415	0	24.9600	1.0000	360	30.0000%	252	0	252	
Royal Bank of Canada 4.5% N-C 1st PFD SE	12,441	0	24.9600	1.0000	311	30.0000%	218	0	218	

Royal Bank of Canada 4.5% N-C 1st PFD SE	0	15,842	24.9600	1.0000	395	25.0000%	296	0	296
Royal Bank of Canada 4 90% Non Cumulativ	821	0	23.2500	1.0000	19	30.0000%	13	0	13
Royal Bank of Canada 4.90% Non Cumulativ	0	126	23.2500	1.0000	3	25.0000%	2	0	2
Royal Bank of Canada Noncum First PREF S	10,799	0	25.0700	1.0000	271	30.0000%	190	0	190
Royal Bank of Canada Noncum First PREF S	0	2,073	25.0700	1.0000	52	25.0000%	39	0	39
Royal Bank of Canada 3.52% Non Cum 5YR R	466,630	0	24.9900	1.0000	11,661	30.0000%	8,163	0	8,163
Royal Bank of Canada 3.52% Non Cum 5YR R	0	4,158	24.9900	1.0000	104	25.0000%	78	0	78
Royal Bank of Canada 2.82% Non-Cum FLTG	4,590	0	25.0000	1.0000	115	30.0000%	81	0	81
Royal Bank of Canada 2.82% Non-Cum FLTG	0	5,919	25.0000	1.0000	148	25.0000%	111	0	111
Royal Bank of Canada 4.26% Non-Cum 5YR R	296,643	0	25.0500	1.0000	7,431	30.0000%	5,202	0	5,202
Royal Bank of Canada 4.26% Non-Cum 5YR R	0	952	25.0500	1.0000	24	25 0000%	18	0	18
Royal Bank of Canada 4.50 Non-Cum PFD SR	26,122	0	25.0600	1.0000	655	30.0000%	458	0	458
Royal Bank of Canada 4.50 Non-Cum PFD SR	0	278	25.0600	1.0000	7	25.0000%	5	0	5
Royal Bank of Canada 4.45% Non-Cum First	17,748	0	25 0300	1.0000	444	30.0000%	311	0	311

Shopify Inc. CL A **Adjusted Amount Loaned:** 126,006 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
Shopify Inc CL A Long	97,344	0	180.5500	1.0000	17,575	30.0000%	12,303	0	12,303	
Shopify Inc CL A Long	0	839,676	180.5500	1.0000	151,604	25.0000%	113,703	0	113,703	

RBC Dominion Securities Inc./RBC Direct Investing
Form 1 Line Details - October, 2018

Apple Inc. **Adjusted Amount Loaned:** 101,090 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
Apple Inc. Long	501,350	0	288.0500	1.0000	144,414	30.0000%	101,090	0	101,090	

Amazon.com Inc. **Adjusted Amount Loaned:** 92,562 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
Amazon.com Inc. Long	62,872	0	2,103.2000	1 0000	132,232	30.0000%	92,562	0	92,562	

Toronto-Dominion Bank **Adjusted Amount Loaned:** 82,636 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
Toronto-Dominion Bank Long	1,322,950	0	72.9000	1.0000	96,443	30.0000%	67,510	0	67,510	
TD Bank 3.60% Non-Cum 5YR RT RST PFD SER	16,970	0	24.2000	1.0000	411	30.0000%	288	0	288	
TD Bank 4.90% Non-Cum Fixed RT PFD S11	10,615	0	23.4200	1.0000	249	30.0000%	174	0	174	
TD Bank 5.50% Non-Cum 5YR RT RST PFD SE	103,203	0	25.9900	1.0000	2,682	30.0000%	1,877	0	1,877	
TD Bank 4.50% Non-Cum RT RST PFD SR 16	24,760	0	24.7700	1.0000	613	30.0000%	429	0	429	
TD Bank 4.70% Non-Cum 5YR RT RST PFD SER	29,245	0	25.2500	1.0000	738	30.0000%	517	0	517	
TD Bank 3.80% Non-Cum 5YR RT RST PFD SER	247,101	0	22.9000	1.0000	5,659	30.0000%	3,961	0	3,961	
TD Bank 3.80% Non-Cum 5YR RT RST PFD SER	0	1,997	22.9000	1 0000	46	25.0000%	35	0	35	
TD Bank Non-Cum 5YR RT RST PFD SER 9	14,611	0	24.3000	1.0000	355	30.0000%	248	0	248	
TD Bank Non-Cum 5YR RT RST PFD SER 9	0	2,671	24.3000	1.0000	65	25.0000%	49	0	49	
TD Bank 4.85% Non-Cum 5YR RT RST PFD SER	46,213	0	25.6300	1.0000	1,184	30.0000%	829	0	829	

TD Bank 4.85% Non-Cum 5YR RT RST PFD SER	0	1,637	25.6300	1.0000	42	25.0000%	32	0	32	
TD Bank 4.75% Non-Cum 5YR RT RST PFD SER	51,332	0	24.6500	1.0000	1,265	50.0000%	633	0	633	
TD Bank 4.75% Non-Cum 5YR RT RST PFD SER	0	1,059	24.6500	1.0000	26	50.0000%	13	0	13	
TD BANK 3.90% NC 5YR RT RST PFD SER 1	205,301	0	22.6500	1.0000	4,650	30.0000%	3,255	0	3,255	
TD BANK 3.90% NC 5YR RT RST PFD SER 1	0	963	22.6500	1.0000	22	25.0000%	17	0	17	
TD BANK 3.75% NON-CUM RT RST PFD S5	125,683	0	22.6500	1.0000	2,847	30.0000%	1,993	0	1,993	
TD BANK 3.75% NON-CUM RT RST PFD S5	0	45,700	22.6500	1.0000	1,035	25.0000%	776	0	776	

BCE Inc **Adjusted Amount Loaned:** 79,983 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
BCE INC LONG	2,181,922	0	50.9500	1.0000	111,169	30.0000%	77,818	0	77,818	
BCE INC CUM RED 1ST PFD SER AA 3.45%	2,573	0	18.6400	1.0000	48	30.0000%	34	0	34	
BCE INC FIRST PFD SHS SERIES AB	2,054	0	19.8300	1.0000	41	30.0000%	29	0	29	
BCE INC FIRST PFD SHS SERIES AB	0	679	19.8300	1.0000	13	25.0000%	10	0	10	
BCE INC CUM RED 1ST PFD SER AC	3,465	0	19.7500	1.0000	68	30.0000%	48	0	48	
BCE INC CUM RED FIRST CUM RED 1ST PREF S	2,595	0	19.7500	1.0000	51	30.0000%	36	0	36	
BCE INC CUM RED FIRST CUM RED 1ST PREF S	0	8	19.7500	1.0000	0	25.0000%	0	0	0	
BCE INC FIRST PREFERRED SHARES SER AE	7,996	0	19.7200	1 0000	158	30.0000%	111	0	111	
BCE INC 3.110% CUM RED 1ST PRF SER-AF	3,903	0	18.9900	1.0000	74	30.0000%	52	0	52	
BCE INC 2.80% CUM 1ST PFD AG FXD/RESE	7,779	0	18.3100	1.0000	142	30.0000%	99	0	99	

RBC Dominion Securities Inc./RBC Direct Investing
Form 1 Line Details - October, 2018

BCE INC FIRST PREFERRED SHARES SER AH	8,191	0	19.7400	1.0000	162	30.0000%	113	0	113
BCE INC FIRST PREFERRED SHARES SER AH	0	1,006	19.7400	1.0000	20	25.0000%	15	0	15
BCE INC 2.75% CUM RED 1ST PFD SER-AI	5,741	0	18.8100	1.0000	108	30.0000%	76	0	76
BCE INC RED CUM PFD CL A SER AJ	11,355	0	19.9100	1.0000	226	30.0000%	158	0	158
BCE INC RED CUM PFD CL A SER AJ	0	478	19.9100	1 0000	10	25.0000%	8	0	8
BCE INC 2.954% CUM RED 1ST PFD SER-AK	43,157	0	17.7100	1.0000	764	30.0000%	535	0	535
BCE INC 1ST PFD SER AL	3,227	0	17.7200	1.0000	57	30.0000%	40	0	40
BCE INC 1ST PFD SER AL	0	1,280	17.7200	1 0000	23	25.0000%	17	0	17
BCE INC 2.764% CMLTV REDMBL FRST PRFR SH	10,086	0	18.7600	1.0000	189	30.0000%	132	0	132
BCE INC RED PFD 1ST PFD SER AN CANADA	2,767	0	19.8800	1.0000	55	30.0000%	39	0	39
BCE INC RED PFD 1ST PFD SER AN CANADA	0	83	19.8800	1.0000	2	25.0000%	2	0	2
BCE INC RED PFD 1ST PFD SER AO	9,524	0	24.3800	1.0000	232	30.0000%	162	0	162
BCE INC RED PFD 1ST PFD SER AQ	5,216	0	23.7500	1.0000	124	30.0000%	87	0	87
BCE INC CUM RED 1ST PFD SHS SER R	8,390	0	19.1000	1.0000	160	30.0000%	112	0	112
BCE INC 1ST PFD SER S FLTG RATE	1,000	0	20.0000	1.0000	20	30.0000%	14	0	14
BCE INC 1ST PFD SER S FLTG RATE	0	876	20.0000	1.0000	18	25.0000%	14	0	14
BCE INC CUM RED 1ST PFD SERIES T	3,030	0	18.0900	1.0000	55	30.0000%	39	0	39
BCE INC CUM RED 1ST PFD SERIES T	0	3,709	18.0900	1.0000	67	25.0000%	50	0	50
BCE INC 1ST PFD SER AL	9,535	0	19 9100	1.0000	190	30.0000%	133	0	133

BCE INC CUM REDEEM 1ST PFD SHS SER Z	0	23	18.5600	1.0000	0	30 0000%	0	0	0	

Bank of Montreal **Adjusted Amount Loaned:** 78,640 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
BANK OF MONTREAL LONG	907,229	0	98.3300	1.0000	89,208	30.0000%	62,446	0	62,446	
BANK OF MONTREAL 1.81% NON CUM 5YR RT RS	13,462	0	23.0000	1.0000	310	30.0000%	217	0	217	
BANK OF MONTREAL 1.81% NON CUM 5YR RT RS	0	1,728	23.0000	1.0000	40	25.0000%	30	0	30	
BANK OF MONTREAL NON CUM FLT RT CL B PFD	1,027	0	24.1500	1.0000	25	30.0000%	18	0	18	
BANK OF MONTREAL NON CUM 4.0% 5 YR RATE	54,794	0	22.7700	1.0000	1,248	30.0000%	874	0	874	
BANK OF MONTREAL NON CUM 4.0% 5 YR RATE	0	300	22.7700	1.0000	7	25.0000%	5	0	5	
BANK OF MONTREAL PFD SHS CL B SER 29	278,095	0	22.4400	1.0000	6,240	30.0000%	4,368	0	4,368	
BANK OF MONTREAL PFD SHS CL B SER 29	0	2,945	22.4400	1.0000	66	25.0000%	50	0	50	
BANK OF MONTREAL 3.8% NON-CUM 5Y RT RST	183,749	0	22 4000	1 0000	4,116	30.0000%	2,881	0	2,881	
BANK OF MONTREAL 3.80% NON-CUM 5YR RATE	14,703	0	23.8000	1.0000	350	30.0000%	245	0	245	
BANK OF MONTREAL NON CUM 5% PRPTL CL B P	13,945	0	24.2000	1.0000	337	30.0000%	236	0	236	
BANK OF MONTREAL NON CUM 5% PRPTL CL B P	0	549	24 2000	1 0000	13	25.0000%	10	0	10	
BANK OF MONTREAL 4.85% NON-CUM 5YR RT RS	123,044	0	25.4700	1.0000	3,134	30.0000%	2,194	0	2,194	

BANK OF MONTREAL 4.85% NON-CUM 5YR RT RS	0	3,437	25.4700	1.0000	88	25.0000%	66	0	66	
BANK OF MONTREAL 4.50% NON CUM 5YR RT R	200,814	0	25.0100	1.0000	5,022	30.0000%	3,515	0	3,515	
BANK OF MONTREAL 4 40% NON CUM RT RST PF	52,027	0	24.7600	1.0000	1,288	30.0000%	902	0	902	
BANK OF MONTREAL 4 40% NON CUM RT RST PF	0	5,980	24.7600	1 0000	148	25.0000%	111	0	111	
BANK OF MONTREAL NON CUM 5YR RT RST CL B	37,663	0	25.0500	1.0000	943	50.0000%	472	0	472	

Bank of Nova Scotia **Adjusted Amount Loaned:** 68,093 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
BANK OF NOVA SCOTIA LONG	1,259,664	0	70.6500	1.0000	88,995	30.0000%	62,296	0	62,296	
BANK OF NOVA SCOTIA 3.83% NON-CUM 5YR RE	1,260	0	25.0200	1.0000	32	30.0000%	22	0	22	
BANK OF NOVA SCOTIA 3.83% NON-CUM 5YR RE	0	848	25.0200	1.0000	21	25.0000%	16	0	16	
BANK OF NOVA SCOTIA NON CUM FLTG RATE P	6	0	25.0000	1.0000	0	30.0000%	0	0	0	
BANK OF NOVA SCOTIA NON CUM FLTG RATE P	0	60	25.0000	1.0000	2	25.0000%	2	0	2	
BANK OF NOVA SCOTIA NON-CUM 5YR RATE RES	876	0	23.8800	1.0000	21	30.0000%	15	0	15	
BANK OF NOVA SCOTIA NON-CUM 5YR RATE RES	0	791	23.8800	1.0000	19	25.0000%	14	0	14	
BANK OF NOVA SCOTIA NON-CUM FLTG RATE PF	667	0	24 0900	1.0000	16	30.0000%	11	0	11	
BANK OF NOVA SCOTIA NON-CUM FLTG RATE PF	0	433	24.0900	1.0000	10	25.0000%	8	0	8	
BANK OF NOVA SCOTIA 2.063% 5YR RATE RESE	11,539	0	23.5100	1.0000	271	30.0000%	190	0	190	
BANK OF NOVA SCOTIA PFD SHS NON CUM FLT	705	0	23.9600	1.0000	17	30.0000%	12	0	12	

BANK OF NOVA SCOTIA PFD SHS NON CUM FLT	0	242	23 9600	1.0000	6	25.0000%	5	0	5	
BANK OF NOVA SCOTIA 5.50% NON-CUM 5YR RS	12,655	0	26.0000	1.0000	329	30.0000%	230	0	230	
BANK OF NOVA SCOTIA 5.50% NON-CUM 5YR RS	0	434	26.0000	1.0000	11	25.0000%	8	0	8	
BANK OF NOVA SCOTIA 5 50% NON-CUM 5YR RT	71,800	0	26.0300	1 0000	1,869	30.0000%	1,308	0	1,308	
BANK OF NOVA SCOTIA 4.85% NON CUM 5YR RT	165,655	0	25.6800	1.0000	4,254	30.0000%	2,978	0	2,978	
BANK OF NOVA SCOTIA 4.85% NON CUM 5YR RT	0	130	25.6800	1.0000	3	25.0000%	2	0	2	
BANK OF NOVA SCOTIA 4.85% NON-CUM 5YR RT	78,726	0	24.8000	1.0000	1,952	50.0000%	976	0	976	

ISHARES S&P/TSX60 INDEX ETF **Adjusted Amount Loaned:** 66,959 **Concentration Charge:**

Description of Security	Client Position	Firm's Own	Unit Price	Unit Factor	Market Value	Margin Rate	Loan Value	Adjust-ments	Amount Loaned	Amou Clear
ISHARES S&P/TSX60 INDEX ETF LONG	27,733	0	22.5400	1.0000	625	30.0000%	438	0	438	
ISHARES S&P/TSX60 INDEX ETF LONG	0	3,934,946	22.5400	1.0000	88,694	25.0000%	66,521	0	66,521	

Schedule 10 Part C - Policy Information

Insurance Company	Name of the Insured	FIB/ Registered Mail	Expiry Date	Coverage	Type of Aggregate Limit	Provision for full Reinstatement
Lloyd's	RBC DS Inc	FIB	06/01/2019	10,000	Double	
Lloyd's & GCNA	RBC DS Inc.	FIB	06/01/2019	15,000	Double	
Lloyd's & GCNA	RBC DS Inc.	FIB	06/01/2019	15,000	Double	
Lloyd's	*RBC DI*	*FIB*	*06/01/2019*	*10,000*	*Double*	
Lloyd's & GCNA	RBC DI	FIB	06/01/2019	15,000	Double	
Lloyds of London	RBC	REG	06/01/2019	100,000		

Schedule 10 Part D - Losses and Claims

Date of Loss	Date of Discovery	Amount of Loss	Amount Type	Deductible Applying to Loss	Description	Claim Made?	Settlement
01/01/2015	12/13/2017	0	Unknown	0	Statement of claim alleges that two RBC DS investment advisors conspired with another defendant in the action to misappropriate funds.	Yes	0

Auditor - Insurance Exceptions

Description
No Exceptions Noted

Auditor - Segregation Exceptions

Description
No Exceptions Noted

Auditor - Guarentee/Guarantor Exceptions

Description
No Exceptions Noted