



SERVICES FOR NOT-FOR-PROFIT ORGANIZATIONS





ARTICULATING AND ACHIEVING YOUR INVESTMENT GOALS

Investment policy development and review

Our investment management clients receive assistance from a dedicated RBC® advisor in drafting an investment policy statement, created to address issues specific to their organization. A formal investment policy statement will:

- › Demonstrate how your organization's funds should be invested to ensure that realistic goals and reasonable controls, guidelines and measurement tools are established;
- › Provide a record of your organization's investment philosophy, objectives, constraints and operating principles, which donors may request to see;
- › Supply a disciplined approach to investment strategy and day-to-day investment management decision-making;
- › Protect the management of your organization's funds from disruptions caused by changes in the composition of the board or investment committee;
- › Reduce the possibility that investment decisions will be based on personal biases, investment fads or emotional reactions to short-term economic or market fluctuations;
- › Form the core of your organization's relationship with a professional investment manager, while providing an important tool for evaluating the manager's performance;
- › Help your organization meet legislative restrictions; and
- › Provide the comfort to your donors that their gift will be managed under disciplined guidelines.

We make only those investment decisions that are within the clearly defined parameters set out in your organization's customized investment policy statement.

INVESTMENT INVOLVEMENT THAT MATCHES YOUR COMFORT LEVEL

Having created an investment policy statement, the next step in the investment process is to build and monitor your portfolio.

Ever vigilant as to your investment constraints and fiduciary responsibilities—such as cash flow and liquidity requirements, asset mix stipulations and legislative restrictions—and depending on the degree of involvement your organization requires, your RBC advisor will either consult with you on every investment decision or take responsibility for the day-to-day management of your portfolio.

Through your RBC advisor, who has at his or her disposal all the expertise and resources of the firm, you are offered access to a broad range of services, including:

- › Investment strategy and portfolio structuring
- › Proprietary and non-proprietary money manager solutions
- › Security research and selection
- › Regular portfolio reviews to ensure compliance with stated investment objectives
- › Formal investment review meetings, customized to client requirements
- › Quarterly investment commentaries
- › Advice and counsel from portfolio managers upon request
- › Facilitation of the gifting of assets in securities form

INTRODUCTION

Actions speak louder than words

For ten consecutive years now, RBC Financial Group® has had the privilege of being recognized as Canada's top corporation for corporate social responsibility.

RBC is honoured to be able to lend its support to a broad range of causes. In 2004 alone, we contributed more than \$59 million to community causes worldwide through corporate donations of more than \$39 million and an additional \$20 million in support and sponsorship of community events and national organizations. Our employees and pensioners also make enormous contributions as volunteers, sharing their financial and business knowledge, time and enthusiasm with thousands of community groups.

Related in no small way to this commitment is the ongoing support and guidance we provide to charitable foundations and other not-for-profit organizations.

Historically, Canadians have turned to the various levels of government to help fund many of the good works that charitable groups provide to enhance the quality of our lives. But recently governments have cut back on direct funding, creating the need for individuals and corporations to step in and fill the gap.

At no other point in Canadian history have charitable foundations and other not-for-profit organizations played such a pivotal role in helping provide those services and promote those cultural values we believe are integral to the Canadian experience.

This brochure is intended to provide you with a brief overview of the ways RBC Financial Group can help your organization fulfill its mandate and ensure you have access to the tools necessary to help your organization continue to provide its essential services well into the future.



HELPING YOU FULFILL THE PROMISE OF YOUR MANDATE—TODAY AND TOMORROW

An overview of our services

Successfully carrying out the mandate of an organization such as yours often requires that the members of the governance team possess specialized knowledge and skills. Another requirement is time, which for many of us is always in short supply.

That's where we can help. Complementing the expertise of your team, we help ensure that you provide the supervision and good governance that the law demands, allowing your organization to deliver on its stated promise.

We can assist you with:

- › Investing in accordance to the short- and long-term objectives of your organization
- › Discretionary or advisory investment management
- › Socially responsible investing (SRI)
- › Planned giving
- › Executor/liquidator and trustee services
- › Custody and administration



GUARANTEE THE WISHES OF YOUR DONORS WILL BE FOLLOWED

Planned giving

As an integrated financial services provider, we are able to offer advice and assistance with all aspects of gift planning.

Working with charities on a one-on-one basis, we educate donors about charitable giving in an effort to ensure they derive full tax- and estate-planning benefits. After a complete analysis of the donor's situation, we can then help to implement the charitable gift.

We have expertise in:

- › Gifts of cash/gifts in kind
- › Bequests in a will
- › Insurance policies
- › Charitable gift annuities
- › Charitable remainder trusts
- › Private foundations
- › Endowment funds

Executor/liquidator and trustee services

We can further assist potential donors by offering our expertise in executor/liquidator and trustee services. Legal, tax and administrative issues can make the duties of an executor/liquidator very complex and time-consuming. As a result, some of your donors may request that a professional and impartial corporate executor/liquidator act on their behalf to ensure their wishes, as expressed in their wills, are carried out. Alternatively, if one of your donors is appointed as executor/liquidator, we can provide support in all duties or only those where assistance is required. Regardless of which solution is appropriate, your donor will receive attentive, reliable and compassionate support.

Some donors prefer donating their assets through a charitable remainder trust. We can act as corporate trustee and administer the assets of the trust according to the wishes of the donor and charitable organization, within the guidelines of the Income Tax Act.

Being a major force within the estate- and trust-administration business for over a century, RBC Trust Services allows your donors the comfort of knowing that their wishes will be carried out quickly and efficiently, with the least amount of stress on family and friends. Your organization can also rest easy knowing that donor legacies will be paid quickly. We also offer comprehensive accounting of estate assets and liabilities.

INVEST IN ACCORDANCE WITH THE VALUES OF YOUR ORGANIZATION

Socially responsible investing (SRI)

Socially responsible investing, sometimes known as “ethical investing,” is the application of your organization's values and societal concerns to investment decisions. It allows you to make a difference while building a secure financial future. There are three basic approaches to socially responsible investing:

- › Screening—the application of guidelines or “screens” to the investment process. These screens can be positive and inclusive or negative and exclusive.
- › Community investment—the investment of funds that contributes to the growth and well-being of particular communities.
- › Shareholder advocacy—the process of using shareholder influence to help bring about positive change at corporations.

Should ethical investing be of interest to your organization, your RBC advisor can help you create a portfolio in accordance with your values.



LEAVE NOTHING TO CHANCE

Custody and administration

We provide a comprehensive package of custody and administrative services, including:

- › Safekeeping of all cash and securities.
- › Collection of income from stocks, bonds and cash.
- › Settlement of all securities transactions.
- › Tax reporting according to Canada Revenue Agency (CRA) and the Minister of Revenue of Quebec.
- › Reporting in Canadian and U.S. dollars as required.
- › Customized reporting options—valuations and transaction statements provided monthly, quarterly, semi-annually or annually, as preferred by your organization.
- › Disbursement of funds according to your instructions.
- › Recordkeeping services that allow you to combine the transactions from multiple-investment accounts into one set of consolidated financial accounting reports to help your accountant and save you money.
- › Other administrative services—acting as an officer or corporate secretary where required, co-ordinating meetings, recording minutes and ensuring the timely filing of tax returns.

ABOUT RBC FINANCIAL GROUP

You always have choices when it comes to managing your organization's finances. If trust and experience are important to you, we hope you will consider us for your not-for-profit needs. Through our many teams of experienced professionals, you have access to comprehensive solutions created with your organization's particular needs in mind.

We have been helping Canadians effectively manage their investments for over a century. Today, we are one of Canada's largest providers of integrated financial services to private clients, charities and other not-for-profit organizations.

We can offer your organization, board members and donors customized investment management services (such as discretionary portfolio management), fiduciary and custody solutions.

Recognized as Canada's top corporation for corporate social responsibility and possessing a firm understanding of the unique demands of the not-for-profit sector, we are your clear choice for innovative—yet prudent—trust and investment management solutions.

Let us put our knowledge and experience to work for you and your organization.

Contact your RBC® advisor for more information.



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