

P R I V A T E  
INVESTMENT  
MANAGEMENT™



Wealth Management  
Dominion Securities



Freedom is a possession  
of inestimable value.



– Marcus Tullius Cicero,  
Roman Philosopher and Statesman



Private Investment Management  
frees you from the day-to-day details  
of managing your wealth, so you can  
pursue your own personal goals.



## The freedom to live the life you want

You have your own dreams and ambitions in life. You might be building a successful career or business, pursuing your personal interests or enjoying your retirement lifestyle.

As you pursue your goals, you may discover that you have less and less time to focus on important matters such as the management of your wealth. Indeed, as you enjoy greater success in life, your financial affairs will likely become more complex and demand more of your time.

Yet you have other interests and responsibilities that you would rather focus on. You need professional wealth management that enables you to concentrate on what's important to you. You need someone you can trust who will make important decisions on your behalf, and manage all aspects of your investment portfolio, while you get on with your life.

To help you delegate these important responsibilities with confidence, we are pleased to offer RBC Dominion Securities® Private Investment Management. Private Investment Management is our premium level of discretionary wealth management, available exclusively to our private clients. It is designed to free you from the day-to-day details of managing your wealth, so you can pursue your own personal and professional goals.

Your customized portfolio is designed for you by your personal Portfolio Manager, backed by the strength and stability of RBC®.

## Achieve your goals with confidence

With Private Investment Management, you can be confident that your portfolio will be managed according to the highest standards.

Your individual portfolio is built from the ground up based on factors such as your growth requirements, income needs and risk tolerance. Furthermore, you hold individually owned securities in your portfolio—providing you with greater flexibility in how your portfolio is structured.

Your Portfolio Manager will handle all the details on an ongoing basis, working within the specific guidelines established in your Investment Policy Statement. Your Portfolio Manager is always accountable to these guidelines, which are reviewed at least annually and updated in consultation with you. In addition, an extensive team of professionals supports your Portfolio Manager with:

- Investment strategy and research
- Recommendations on portfolio composition
- Reviews of your account

Your Portfolio Manager can take advantage of investment opportunities quickly and efficiently because your approval is not required for every single transaction. A careful process involving strict guidelines, checks and balances, and formal reviews ensures that your portfolio is managed with the highest standards of ethics and professionalism.

With Private Investment Management, you can sit down with your Portfolio Manager one on one to discuss your needs.

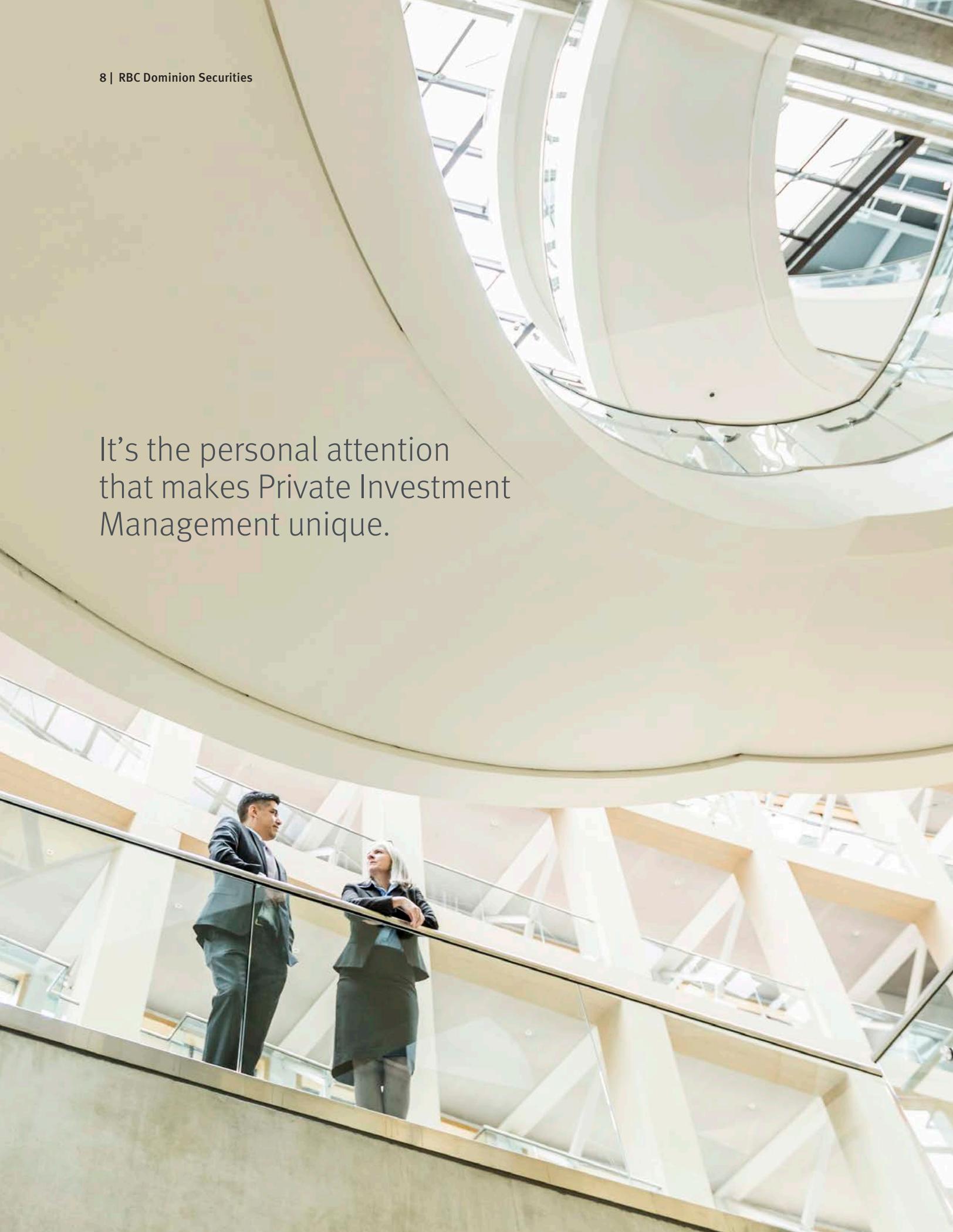


## A direct relationship with your personal Portfolio Manager

Private Investment Management provides you with a discretionary managed account and the option to delegate responsibility for day-to-day investment decisions to a personal Portfolio Manager. While discretionary management is widely available, discretionary management from a personal Portfolio Manager is relatively unique. The following table compares different types of discretionary accounts, ranging from pooled funds, where you own fund units, to segregated portfolios, where you directly own securities.

	Private Investment Management	Traditional discretionary accounts	Pooled funds
Fully accredited Portfolio Managers	Yes	Yes	Yes
Personal Portfolio Manager	Yes	No	No
Direct ownership of securities	Yes	Yes	No
Total flexibility in portfolio design	Yes	No	No

It's the personal attention  
that makes Private Investment  
Management unique.



## A trusted source for personal wealth management

Private Investment Management gives you the time and freedom to pursue what's important to you, and you can feel confident knowing your wealth is being managed by a professional you know and trust—your Portfolio Manager.

Most discretionary accounts offer portfolio management through a centralized source—usually an institutional investment management firm. While you enjoy a high level of money management, you don't have a personal relationship with your Portfolio Manager.

With Private Investment Management, you can sit down with your Portfolio Manager one on one to discuss your needs. It's this personal attention that makes Private Investment Management unique.

It also gives you a greater degree of control compared to traditional discretionary accounts, where people you are unlikely to ever meet manage your wealth. Because you have a personal relationship with your Portfolio Manager, your portfolio can more accurately reflect your individual needs and goals on an ongoing basis.

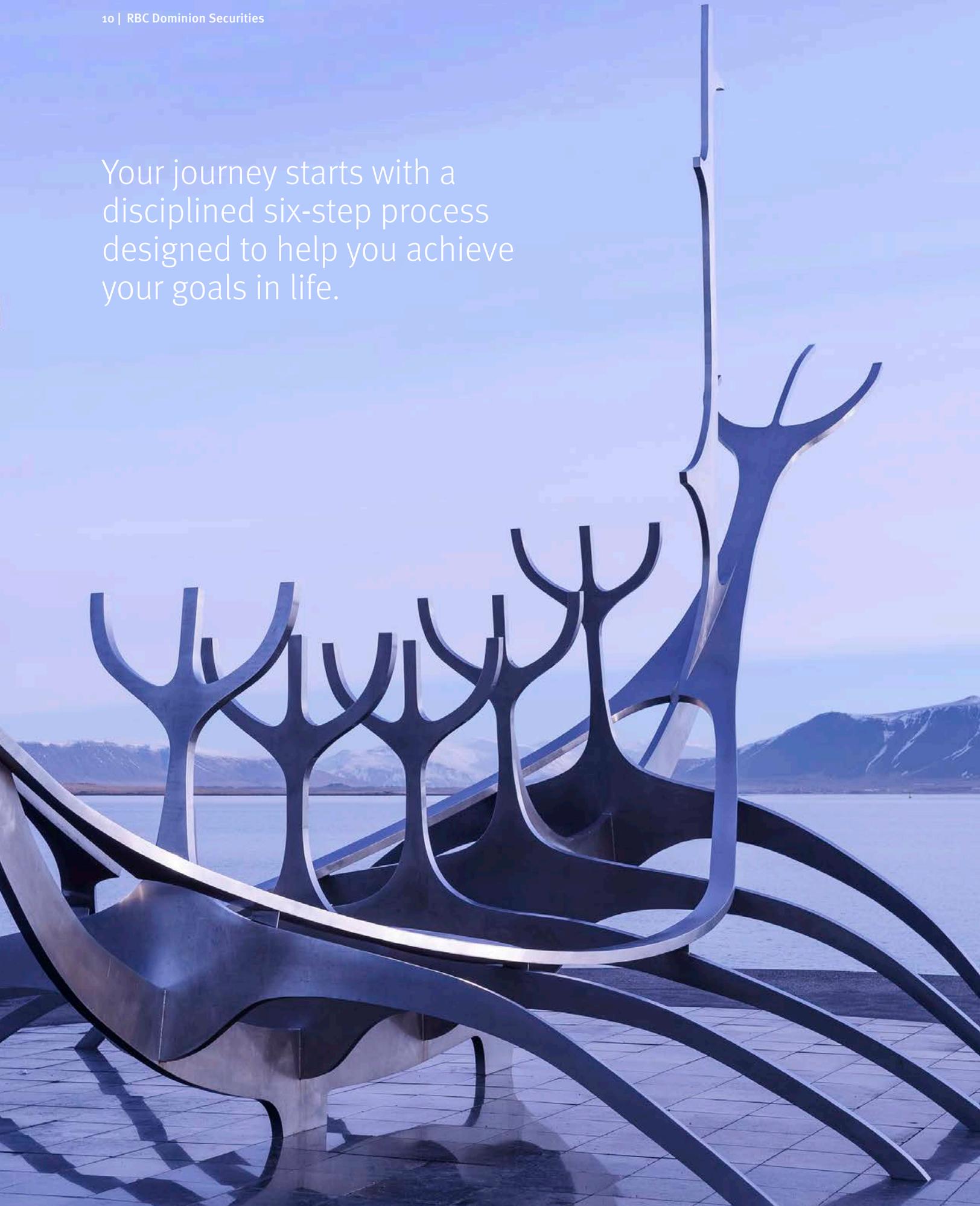
### **The highest credentials at your service**

Only a select group of our Investment Advisors is able to offer discretionary portfolio management services through Private Investment Management.

Before being registered as a Portfolio Manager, an Investment Advisor must have extensive experience in advising clients and substantial assets under administration.

Only by meeting these high standards and completing rigorous course work can an Investment Advisor become an accredited Portfolio Manager. This is among the highest credentials an investment professional can achieve.

Your journey starts with a disciplined six-step process designed to help you achieve your goals in life.



# The framework for success

## 1. Create your investment policy

The first step is to create your Investment Policy Statement—the document that guides your Portfolio Manager in making appropriate investment decisions on your behalf.

Your Investment Policy Statement, created specifically for you, takes into account your return expectations, income requirements, risk tolerance, time horizon and unique preferences. It also addresses your tax situation in order to help your Portfolio Manager make investment decisions that minimize the impact of taxes.

Based on all these factors, your Portfolio Manager can recommend an ideal asset-allocation model for your portfolio. How your portfolio is divided among the three main asset classes—cash, fixed income and equities—is the most important factor in determining the balance between managing risk and providing higher returns.

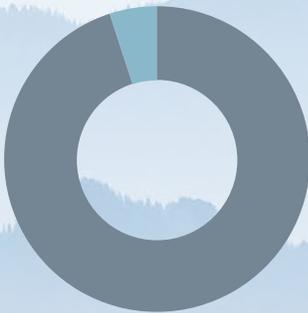
Depending on your circumstances, a fourth asset class called alternative investments may also be included in your portfolio. Currently, this asset class deals primarily with the use of hedge funds to maximize portfolio diversification.

In addition, your portfolio may be diversified along geographic lines, and with a variety of individual securities in each asset class, as shown on the following page.

Your Portfolio Manager can adjust your asset allocation as you progress through your life stages. The balance between the asset classes will vary depending on changing market conditions and your personal risk tolerance. The following asset-mix models serve as a starting point for your Portfolio Manager to determine your ideal asset mix. Depending on your specific asset levels and risk tolerance, alternative investments can also be included.

**All fixed income**

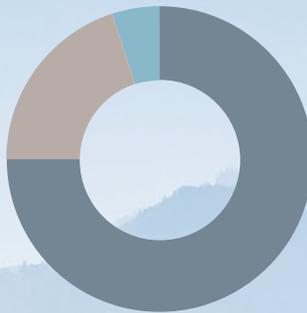
Exclusively focused on generating income



Fixed income 95%  
Cash 5%  
Equities 0%

**Income**

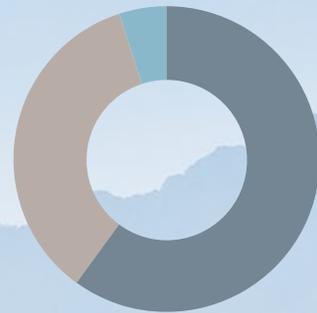
Designed for investors with large income needs



Fixed income 75%  
Equities 20%  
Cash 5%

**Conservative**

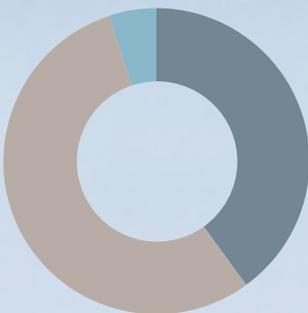
Large income component with long-term growth



Fixed income 60%  
Equities 35%  
Cash 5%

**Balanced**

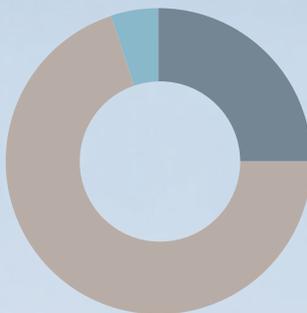
Provides growth while managing risk



Equities 55%  
Fixed income 40%  
Cash 5%

**Growth**

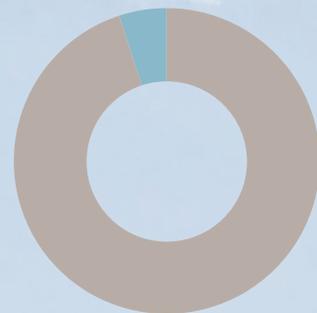
Primarily focused on growth over the long term



Equities 70%  
Fixed income 25%  
Cash 5%

**All equity growth**

Little or no need for income



Equities 95%  
Cash 5%  
Fixed income 0%

## 2. Build your portfolio

Based on your ideal asset-allocation model, your Portfolio Manager will select an appropriate combination of investments for your portfolio. Virtually every type of investment is available to help you meet your needs.

In selecting your investments, your Portfolio Manager combines an understanding of the “big picture”—overall global economic and market trends—with fundamental research of individual investment opportunities. Senior economists, portfolio strategists and research analysts from various parts of RBC augment your Portfolio Manager’s insight into these key areas.



Private Investment Management  
is built on a foundation of trust  
and confidence.



### 3. Manage your portfolio

Market and economic conditions change. Your personal situation and goals will also change. As a result, it is essential to make appropriate adjustments to your portfolio.

Your Portfolio Manager will make day-to-day investment decisions on your behalf to respond to and anticipate the changing market and economic landscape. If the outlook for a certain sector of the economy brightens, your Portfolio Manager may increase your holdings in that sector. Similarly, if the outlook for a certain region of the world improves, your portfolio may be adjusted accordingly within the guidelines established in your Investment Policy Statement.

In making day-to-day investment decisions, your Portfolio Manager is supported by a considerable array of resources:

**RBC Investment Strategy Committee**, which comprises our senior economists, strategists and analysts, makes quarterly recommendations for portfolio structure based on a well-considered outlook for the future direction of global markets and economies.

**RBC Capital Markets Research Department**, with over 40 research analysts, provides fundamental, quantitative and technical research on individual companies and sectors.

**Portfolio Advisory Group** offers your Portfolio Manager day-to-day advice on portfolio structure and composition.

**Fixed Income Advisory Group** provides access to Canada's largest inventory of fixed-income investments, including bonds and money market instruments.

**Wealth Management Services** team, through your Portfolio Manager, assists with your tax, estate and financial planning needs.

Looking forward to the future,  
your portfolio will continually  
evolve to suit changing market  
conditions and personal goals.



#### 4. Third-party review and monitoring

Your portfolio will also be reviewed quarterly by our Private Investment Management Risk Management Group to ensure it is managed according to the terms of your Investment Policy Statement. The Private Investment Management Risk Management Group also reviews your portfolio based on a second set of guidelines that overlays the entire program. These guidelines are in place to ensure that all Private Investment Management clients hold quality investments and a suitable asset mix for their situation.





Your Portfolio Manager will be there every step of the way as you make progress towards your goals.

### **5. Adjusting your investment strategy**

Your Portfolio Manager will also meet with you on a regular basis to review your portfolio and get an update on your personal and financial situation. Your goals are likely to change over time, and your portfolio needs to reflect that.

### **6. Keeping you informed of your progress**

Depending on your account activity, you will receive either a monthly or quarterly account statement that details the activity in your portfolio and provides the current market value of all your positions. In addition, you can receive a quarterly rate-of-return calculation. You also have access to your accounts and timely market information through our online services.

# Take the next step

If you desire the freedom to pursue your interests, while knowing that your portfolio is in the care of trusted professionals, we invite you to consider Private Investment Management. Specifically designed for those who prefer to delegate day-to-day investment decisions, and who expect the highest level of management, it offers all the benefits of having your own highly accredited, personal Portfolio Manager.

At RBC Dominion Securities, we have helped families, businesses, charities and other organizations achieve their financial goals since 1901. Today, we are Canada's leading provider of wealth management services, trusted by more than 420,000 clients across Canada and worldwide, and a member of RBC, Canada's largest financial services organization.

Through your Portfolio Manager, you have access to comprehensive wealth management solutions designed for your individual needs. Working together with our RBC partners, we offer all the services you need to achieve your financial goals, including portfolio management, investment advice, financial planning, trust and executor services, estate planning and private banking.

For more information about Private Investment Management, please consult your Portfolio Manager.



