



**Wealth Management**  
Dominion Securities

# A+ Portfolios

A+ is an innovative investment platform that gives you convenient access to a professionally managed, fully customized investment portfolio. A+ provides access to some of the world's leading investment managers, backed by RBC's proven investment discipline.

With most investment programs, you are fit to the program. However with A+, the program is fit to you. Your A+ portfolio is individually crafted based on your unique needs for capital growth, investment income and asset preservation. Then, your A+ portfolio is professionally managed for you within strict parameters, freeing you to focus on your other important priorities with confidence.

## Your customized A+ portfolio provides:

- The expertise of leading independent asset management firms, carefully assessed through in-depth research, and brought together in a coordinated, customized portfolio
- A sophisticated, tax-efficient portfolio that gives you direct ownership of the individual investments in your portfolio, providing greater control over taxable events
- The latest portfolio management technology that brings together multiple asset managers into a single, unified portfolio with consolidated reporting and synchronized asset allocation

- A proven investment discipline that ensures your portfolio is set, monitored and rebalanced according to your specific investment guidelines
- A modern approach that enables you to achieve capital growth, without compromising on your personal values

## Managing risk through enhanced diversification

Diversifying your investments is the golden rule for reducing risk. Your A+ portfolio benefits from three levels of diversification through our “multi-asset, multi-style, multi-manager” approach:

### 1. Multi-asset

First, we diversify your portfolio by asset class – between equities, fixed-income and cash – to help achieve your specific long-term investment objectives while managing risk.

### 2. Multi-style

Next, we diversify your portfolio by investment style, carefully combining portfolio managers who specialize in different investment styles, such as growth and value.

Providing  
convenience  
with confidence

### 3. Multi-manager

Finally, we diversify your portfolio by investment manager, mitigating the risks associated with investing with a single asset manager.

#### Selecting world-class investment managers

As one of the leading financial services organizations in Canada, we have the ability to engage multiple independent, world-class investment managers. We employ rigorous due diligence to scrutinize and identify managers that have demonstrated long-term, consistent quality and merit. Ultimately, this helps ensure excellence and objectivity in the management of your investments.

Our recommendation combines the internal money management strengths of RBC with world-class, third-party money managers and research firms. We regularly monitor managers to uncover any deteriorating trends or other factors that can lead to excessive volatility or long-term underperformance.

#### Reviewing and monitoring managers with ongoing due diligence

Our proprietary, multi-step review process typically begins with the following minimum screening criteria:

- Three years of operating and performance histories
- \$100 million of firm assets under management
- \$25 million of product assets under management

- Three years of portfolio management tenure
- Reasonable management fees and expenses

Investment managers meeting these criteria are then subjected to a more rigorous evaluation focused on four broad categories:

1. Firm and Product
2. Investment Approach
3. Investment Professionals
4. Performance

Our analysts employ well-defined research, evaluation and reporting activities when assessing each category.

First-hand information from due diligence of the manager is critical to understanding the firms and products under consideration. Initial and ongoing due diligence is performed via on-site visits, conference calls and in-house meetings. Each category is analyzed to draw meaningful conclusions about the overall quality of the investment managers and portfolio strategies reviewed.

#### Investment selection committee

The initial evaluation concludes when an RBC investment committee considers the most promising investment managers for approval. To be approved, each candidate must pass a thorough committee review that includes a detailed discussion of facts and informed opinions derived from the aforementioned research process.

#### Continuous evaluation process

Every aspect of our due diligence requires ongoing investigation and evaluation to confirm the factors that contributed to the past successes of each product are still meaningfully intact. We maintain a “watch list,” which enables us to communicate developments of potential concern to asset managers. We may recommend the termination of a manager if our original assessment is materially and permanently impaired. This is most commonly the result of fundamental developments that we determine to be detrimental to the potential longer-term success of the manager or underlying investment strategy.

#### When deciding to retain or replace an investment manager, we consider:

- Changes in organizational structure
- Significant personnel changes in the relevant investment team
- Consistency of investment strategy and style
- Regulatory issues
- Compliance with mandate
- Quality of service
- Performance pattern, including level and volatility
- Performance relative to appropriate benchmarks and other managers with similar mandates

**For more information, please contact us.**