

RBC Capital Markets' strength in the municipal bond market



Wealth
Management

A leader in U.S. municipal finance

Headquartered in New York, RBC Capital Markets (RBC CM) is a leader in U.S. Municipal Finance. Drawing on the strength of RBC's high credit rating (Aa3/AA-), we serve hundreds of municipal issuers annually. Employing 307 banking, sales, trading, underwriting and research professionals in 26 cities, we have one of the largest U.S. municipal finance practices in the country. Over the past 79 years, the Municipal Finance Group has expanded in size, breadth and expertise. We have provided municipal financing assistance to thousands of clients, and have underwritten tens of thousands of bond issues.

Investment banking

RBC CM's banking offices throughout the country provide local clients with public finance professionals who have first-hand knowledge of the communities they serve. The bankers are able to sustain a level of active involvement with the issuer by attending local meetings and establishing a direct relationship free from geographic barriers. The growth of RBC CM's public finance practice has been built upon maintaining significant banking offices in select cities across the country. These core market offices are staffed with public finance bankers who have significant municipal finance expertise coupled with considerable knowledge of their specific market's economy, demographics and public finance laws.

Trading and underwriting

RBC CM's regional underwriting and trading expertise coupled with a national focus provides us with a unique advantage in gathering information on bonds issued in the areas we serve. Through our five regional trading desks and numerous underwriting groups, we have in-depth knowledge and access to local markets. As a result, we maintain extensive inventory positions and actively participate in both the primary and secondary markets, offering our clients a wide range of investment opportunities. Tradeweb, a live and executable trading platform, gives our traders and financial advisors access to more than 150 commingled retail inventories, from primary and regional dealers across the country. This allows us to provide our customers with competitive offerings and the largest selection of fixed income products in the marketplace. As a result, we are able to provide our customers with more opportunities, achieving better pricing for their trades.

Market distribution

Through RBC Wealth Management, we have an expansive network of retail branch offices located throughout the nation serving individual investors. Our underwriting and trading capabilities are broadly dispersed, far-reaching and client focused, allowing us to deliver a wide range of municipal products.

Research and Strategies group

RBC provides our clients with quality research. The municipal credit strategists in our Fixed Income Strategies Group provide in-depth access to credit information, market conditions and product information for investors. We publish timely commentaries on the economy, fixed income markets and investment strategies. Additionally, the Strategies group professionals provide portfolio review services for our financial advisors and their clients.

Municipal underwriting

RBC CM is the most active underwriter of municipal bonds in terms of total number of senior managed issues, underwriting hundreds of issues annually.

We maintain two fundamental advantages:

- Strong and enduring client relationships
- Significant capital to underwrite unsold balances in the primary market and to create and maintain an active secondary market for client issues

In 2017, RBC Capital Markets' Public Finance Department ranked as the #4 Lead Manager on Negotiated Issues with 526 issues for a 7.8% market share. Total par amount on these issues was \$24,298,000,000.

Please see the following pages for RBC CM's Lead Manager Rankings, US Municipal Composite and Negotiate Composite Amount tables.

Investment and insurance products offered through RBC Wealth Management are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, or guaranteed by, a bank or any bank affiliate, and are subject to investment risks, including possible loss of the principal amount invested.

Lead Manager League Table

Negotiated: True Economics to Book Runner

01/01/2017 - 12/31/2017

Manager	Par Amount (US\$ mil)	Rank	Market Share (%)	# of Issues
Bank of America Merrill Lynch	41,520.2	1	13.3	322
Citi	35,767.2	2	11.5	350
J P Morgan Securities LLC	28,632.6	3	9.2	246
RBC Capital Markets	24,298.0	4	7.8	526
Goldman Sachs & Co LLC	23,477.1	5	7.5	104
Morgan Stanley	21,209.1	6	6.8	205
Stifel Nicolaus & Co Inc	18,068.8	7	5.8	781
Wells Fargo & Co	13,991.2	8	4.5	157
Barclays	13,066.6	9	4.2	107
Piper Jaffray & Co	12,653.3	10	4.1	397
Industry Total	311,686.4	-	-	6,574

Lead and Co-Manager League Table

Negotiated: True Economics to Book Runner

01/01/2017 - 12/31/2017

Manager	Par Amount (US\$ mil)	Rank	Market Share (%)	# of Issues
Bank of America Merrill Lynch	125,282.4	1	-	677
Citi	124,244.2	2	-	683
J P Morgan Securities LLC	116,330.6	3	-	599
Morgan Stanley	97,345.6	4	-	517
RBC Capital Markets	95,270.6	5	-	892
Goldman Sachs & Co LLC	79,616.0	6	-	269
Raymond James	78,797.9	7	-	769
Loop Capital Markets	77,886.8	8	-	296
Siebert Cisneros Shank & Co LLC	77,299.8	9	-	300
Stifel Nicolaus & Co Inc	71,184.9	10	-	1,046

Healthcare Lead Manager League Table

Negotiated: True Economics to Book Runner

01/01/2017 - 12/31/2017

Manager	Par Amount (US\$ mil)	Rank	Market Share (%)	# of Issues
Bank of America Merrill Lynch	8,718.8	1	25.5	56
J P Morgan Securities LLC	7,920.6	2	23.2	54
Citi	3,592.6	3	10.5	22
Morgan Stanley	3,253.3	4	9.5	24
Goldman Sachs & Co LLC	2,481.4	5	7.3	16
Wells Fargo & Co	2,279.3	6	6.7	29
Barclays	1,187.6	7	3.5	13
RBC Capital Markets	724.2	8	2.1	6
Raymond James	714.9	9	2.1	7
Piper Jaffray & Co	712.4	10	2.1	10
Industry Total	34,193.1	-	-	250

Single Family Housing Lead Manager League Table

Negotiated: True Economics to Book Runner

01/01/2017 - 12/31/2017

Manager	Par Amount (US\$ mil)	Rank	Market Share (%)	# of Issues
RBC Capital Markets	3,417.7	1	32.6	67
Bank of America Merrill Lynch	1,348.2	2	12.9	15
Citi	1,301.2	3	12.4	22
Jefferies LLC	927.2	4	8.9	12
J P Morgan Securities LLC	763.5	5	7.3	20
Morgan Stanley	633.1	6	6.1	14
Stifel Nicolaus & Co Inc	479.9	7	4.6	21
Barclays	470.9	8	4.5	9
George K Baum & Company Inc	255.8	9	2.4	6
Raymond James	210.6	10	2	7
Industry Total	10,473.4	-	-	207

Airports Lead Manager League Table

Negotiated: True Economics to Book Runner

01/01/2017 - 12/31/2017

Manager	Par Amount (US\$ mil)	Rank	Market Share (%)	# of Issues
Citi	4,092.7	1	30.4	25
Bank of America Merrill Lynch	1,823.3	2	13.6	11
RBC Capital Markets	1,470.7	3	10.9	10
Morgan Stanley	1,143.0	4	8.5	10
Goldman Sachs & Co LLC	1,026.7	5	7.6	5
J P Morgan Securities LLC	844.0	6	6.3	5
Loop Capital Markets	812.5	7	6	2
Wells Fargo & Co	525.2	8	3.9	5
Jefferies LLC	438.5	9	3.3	4
Siebert Cisneros Shank & Co LLC	424.6	10	3.2	3
Industry Total	13,443.2	-	-	87

Higher Education Lead Manager League Table

Negotiated: True Economics to Book Runner

01/01/2017 - 12/31/2017

Manager	Par Amount (US\$ mil)	Rank	Market Share (%)	# of Issues
Barclays	5,270.8	1	14.8	46
J P Morgan Securities LLC	4,074.6	2	11.4	33
Citi	4,071.8	3	11.4	39
Wells Fargo & Co	3,448.5	4	9.7	40
Bank of America Merrill Lynch	3,095.1	5	8.7	49
RBC Capital Markets	2,888.3	6	8.1	39
Goldman Sachs & Co LLC	2,769.5	7	7.8	17
Morgan Stanley	2,662.7	8	7.5	41
Piper Jaffray & Co	1,853.1	9	5.2	32
Raymond James	1,626.3	10	4.6	35
Industry Total	35,689.1	-	-	481

RBC Capital Markets is a trade name of Royal Bank of Canada and its affiliates, including RBC Capital Markets, LLC and the fixed income businesses of RBC Wealth Management in the U.S. (members NYSE/SIPC), RBC Dominion Securities Inc. in Canada (member CIPF), and Royal Bank of Canada (Europe) Ltd. The fixed income investment banking, sales, trading and underwriting activities of Royal Bank of Canada throughout the world are carried out under the name RBC Capital Markets. The municipal securities underwriting and financial advisory services of RBC Capital Markets in the United States are provided by RBC Wealth Management, a full-service broker-dealer (including retail brokerage). Balance sheet products, such as interest rate swaps and letters of credit, are provided by Royal Bank of Canada. [RBC Centura Bank is a bank in the southeastern United States that is a wholly-owned subsidiary of Royal Bank of Canada.] The terms "RBC," "we" or "our" in this proposal refer to one or more of these entities as indicated by the context.