ROYAL BANK OF CANADA
Form FWP
April 04, 2019

ISSUER FREE WRITING PROSPECTUS
Filed Pursuant to Rule 433
Registration Statement No. 333-227001
Dated April 4, 2019
Royal Bank of Canada Trigger Callable Yield Notes
$• Notes Linked to the Common Stock of International Paper Company due on or about April 9, 2020

Investment Description

Trigger Callable Yield Notes (the "Notes") are unsecured and unsubordinated notes issued by Royal Bank of Canada linked to the performance of the common stock of International Paper Company (the "Reference Stock"). The issue price of each Note will be $10. We will pay you a quarterly coupon regardless of the performance of the Reference Stock. We have the right to call the Notes at our option on any Coupon Payment Date other than the maturity date, regardless of the price of the Reference Stock at that time. If the Notes are not called, we will pay you on the maturity date either the principal amount per Note or, if the closing price of the Reference Stock on the final valuation date is less than the Downside Threshold, we will pay to you an amount of cash reflecting the percentage decrease in the price of the Referenced Stock, plus accrued and unpaid interest. The Notes are not subject to conversion into our common shares under subsection 39.2(2.3) of the Canada Deposit Insurance Corporation Act.
Investing in the Notes involves significant risks. You may lose some or your entire principal amount. In exchange for receiving a coupon on the Notes, you are accepting the risk of receiving an amount of cash that is significantly less than the principal amount of your Notes, and our credit risk for all payments under the Notes. Generally, the higher the coupon rate on a Note, the greater the risk of loss on that Note. The contingent repayment of principal only applies if you hold the Notes until maturity. Any payment on the Notes, including any repayment of principal, is subject to our creditworthiness. If we were to default on its payment obligations, you may not receive any amounts owed to you under the Notes and you could lose your entire investment. The Notes will not be listed on any securities exchange.

Features Key Dates [1]

£ Income — Regardless of the performance of the Reference Stock, we will pay you a quarterly coupon, unless the Notes have been previously called. In exchange for receiving the quarterly coupon payment on the Notes, you are accepting the risk of losing all or a portion of the principal amount, and our credit risk for all payments under the Notes.

£ Issuer Callable — We may, at our election, call the Notes on any Coupon Payment Date (other than the final Coupon Payment Date), regardless of the price of the Reference Stock. If we call the Notes, we will pay you the principal amount plus accrued and unpaid interest. If the Notes are called, no further payments will be made after we make the applicable payment.

£ Contingent Repayment of Principal at Maturity — If the Notes are not previously called and the price of the Reference Stock does not close below the Downside Threshold on the final valuation date, we will pay you the principal amount at maturity, and you will not participate in any appreciation or depreciation in the price of the Reference Stock. If the Notes are not previously called and the price of the Reference Stock closes below the Downside Threshold on the final valuation date, we will pay to you an amount of cash reflecting the decline in the price of the Reference Stock, and you will lose some or all of the principal amount of the Notes. Any payment on the Notes, including any repayment of principal, is subject to our creditworthiness.

Trade Date[1]	April 4, 2019
Settlement Date[1]	April 9, 2019
Coupon Payment Dates [1 2]	Quarterly
Final Valuation Date[2]	April 6, 2020
Maturity Date[2]	April 9, 2020

[1] Expected. If we make any change to the expected trade date and settlement date, the final valuation date and/or the maturity date will be changed so that the stated term of the Notes remains approximately the same.

[2] Subject to postponement if a market disruption event occurs, as described under "General Terms of the Notes — Payment at Maturity" in the accompanying product prospectus supplement.

NOTICE TO INVESTORS: THE NOTES ARE SIGNIFICANTLY RISKIER THAN CONVENTIONAL DEBT INSTRUMENTS. WE ARE NOT NECESSARILY OBLIGATED TO REPAY THE FULL PRINCIPAL AMOUNT OF THE NOTES AT MATURITY, AND THE NOTES CAN HAVE THE FULL DOWNSIDE MARKET RISK OF THE REFERENCE STOCK. THIS MARKET RISK IS IN ADDITION TO THE CREDIT RISK INHERENT IN PURCHASING OUR DEBT OBLIGATION. YOU SHOULD NOT PURCHASE THE NOTES IF YOU DO NOT UNDERSTAND OR ARE NOT COMFORTABLE WITH THE SIGNIFICANT RISKS INVOLVED IN INVESTING IN THE NOTES.
YOU SHOULD CAREFULLY CONSIDER THE RISKS DESCRIBED UNDER "KEY RISKS" BEGINNING ON PAGE 6, THE RISKS DESCRIBED UNDER "RISK FACTORS" BEGINNING ON PAGE PS-4 OF THE PRODUCT PROSPECTUS SUPPLEMENT AND UNDER "RISK FACTORS" BEGINNING ON PAGE S-1 OF THE PROSPECTUS SUPPLEMENT BEFORE PURCHASING ANY NOTES. EVENTS RELATING TO ANY OF THOSE RISKS, OR OTHER RISKS AND UNCERTAINTIES, COULD ADVERSELY AFFECT THE MARKET VALUE OF, AND THE RETURN ON, YOUR NOTES. IF THE NOTES ARE NOT CALLED, YOU MAY LOSE SOME OR ALL OF YOUR INITIAL INVESTMENT.

Note Offering

The Notes are offered at a minimum investment of 100 Notes at $10.00 per Note (representing a $1,000 investment), and integral multiples of $10.00 in excess thereof. Coupons will be paid quarterly in 4 equal installments, subject to an earlier call.

Reference Stock	Coupon Rate	Initial Underlying Price	Downside Threshold	CUSIP	ISIN
Common Stock of International Paper Company (IP)	9.60% per annum	$47.70, which was the closing price of the Reference Stock on April 3, 2019	$38.16, which is 80% of the initial underlying price	78014H565	US78014H5651

See "Additional Information About Royal Bank of Canada and the Notes" in this free writing prospectus. The Notes will have the terms specified in the prospectus dated September 7, 2018, the prospectus supplement dated September 7, 2018, the product prospectus supplement dated October 26, 2018 and this free writing prospectus.
Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Notes or passed upon the accuracy or the adequacy of this free writing prospectus or the accompanying prospectus, prospectus supplement and the product prospectus supplement. Any representation to the contrary is a criminal offense.

	Price to Public		Fees and Commissions (1)		Proceeds to Us	
Offering of the Notes	Total	Per Note	Total	Per Note	Total	Per Note
Notes Linked to the Common Stock of International Paper Company (IP)	•	$10	•	$0.10	•	$9.90

(1) UBS Financial Services Inc., which we refer to as UBS, will receive a commission that will depend on market conditions on the trade date. In no event will the commission received by UBS exceed $0.10 per $10 principal amount of each Note. See "Supplemental Plan of Distribution (Conflicts of Interest)" below.
The initial estimated value of the Notes as of the trade date is expected to be between $9.6571 and $9.8571 per $10 in principal amount, and will be less than the price to public. The pricing supplement relating to the Notes will set forth our estimate of the initial value of the Notes as of the trade date. The actual value of the Notes at any time will reflect many factors, cannot be predicted with accuracy, and may be less than that amount. We describe our determination of the initial estimated value under "Key Risks," "Supplemental Plan of Distribution (Conflicts of Interest)" and "Structuring

the Notes” below.

The Notes will not constitute deposits insured under the Canada Deposit Insurance Corporation Act or by the United States Federal Deposit Insurance Corporation or any other Canadian or United States government agency or instrumentality.

UBS Financial Services Inc. RBC Capital Markets, LLC

Additional Information About Royal Bank of Canada and the Notes

Royal Bank of Canada has filed a registration statement (including a prospectus) with the Securities and Exchange Commission, or SEC, for the offering to which this free writing prospectus relates. Before you invest, you should read the prospectus in that registration statement and the other documents relating to this offering that Royal Bank of Canada has filed with the SEC for more complete information about Royal Bank of Canada and this offering. You may obtain these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, Royal Bank of Canada, any agent or any dealer participating in this offering will arrange to send you the prospectus, the prospectus supplement, the product prospectus supplement and this free writing prospectus if you so request by calling toll-free 877-688-2301.

You may revoke your offer to purchase the Notes at any time prior to the time at which we accept such offer by notifying the applicable agent. We reserve the right to change the terms of, or reject any offer to purchase, the Notes prior to their issuance. In the event of any changes to the terms of the Notes, we will notify you and you will be asked to accept such changes in connection with your purchase. You may also choose to reject such changes, in which case we may reject your offer to purchase.

You should read this free writing prospectus together with the prospectus dated September 7, 2018, as supplemented by the prospectus supplement dated September 7, 2018, relating to our Series H medium-term notes of which these Notes are a part, and the more detailed information contained in the product prospectus supplement. This free writing prospectus, together with the documents listed below, contains the terms of the Notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in "Risk Factors" in the accompanying product prospectus supplement, as the Notes involve risks not associated with conventional debt securities.

To the extent that the terms discussed in this free writing prospectus differ from those discussed in the product prospectus supplement, the prospectus supplement, or the prospectus, the terms discussed herein will control.

You may access these on the SEC website at www.sec.gov as follows (or if such address has changed, by reviewing our filing for the relevant date on the SEC website):

- Product prospectus supplement no. ABYN-2 dated October 26, 2018:
https://www.sec.gov/Archives/edgar/data/1000275/000114036118041394/form424b5.htm
- Prospectus supplement dated September 7, 2018
https://www.sec.gov/Archives/edgar/data/1000275/000121465918005975/f97180424b3.htm
- Prospectus dated September 7, 2018:
https://www.sec.gov/Archives/edgar/data/1000275/000121465918005973/l96181424b3.htm

As used in this free writing prospectus, "we," "us" or "our" refers to Royal Bank of Canada.

Investor Suitability

The Notes may be suitable for you if, among other considerations:

- You fully understand the risks inherent in an investment in the Notes, including the risk of loss of your entire initial investment.
- You can tolerate a loss of all or a substantial portion of your investment and are willing to make an investment that may have the full downside market risk of an investment in the Reference Stock.
- You are willing to accept the risks of investing in equities in general and in the Reference Stock in particular.
- You believe the final underlying price of the Reference Stock is not likely to be less than the Downside Threshold, and, if it is, you can tolerate receiving an amount of cash at maturity that is less than your principal amount or that may be zero.
- You understand and accept that you will not participate in any appreciation in the price of the Reference Stock and that your return on the Notes is limited to the coupons paid.
- You are willing to forgo dividends or other benefits of owning shares of the Reference Stock.
- You can tolerate fluctuations in the price of the Notes prior to maturity that may be similar to or exceed the downside price fluctuations of the Reference Stock.
- You are willing and able to invest in a security that may be called early at our election, and you are otherwise able to hold the Notes to maturity.
- You are willing to invest in Notes for which there may be little or no secondary market and you accept that the secondary market will depend in large part on the price, if any, at which RBC Capital Markets, LLC, which we refer to as “RBCCM,” is willing to purchase the Notes.
- You would be willing to invest in the Notes based on the coupon rate set forth on the cover page of this document.
- You are willing to assume our credit risk for all payments under the Notes, and understand that if we default on our obligations, you may not receive any amounts due to you, including any repayment of principal.

The Notes may not be suitable for you if, among other considerations:

- You do not fully understand the risks inherent in an investment in the Notes, including the risk of loss of your entire initial investment.
- You require an investment designed to provide a full return of principal at maturity.
- You are unwilling to accept the risks of investing in equities in general or in the Reference Stock in particular.
- You are not willing to make an investment that may have the full downside market risk of an investment in the Reference Stock.
- You believe that the final underlying price of the Reference Stock is likely to be less than the Downside Threshold, which could result in a total loss of your initial investment.
- You cannot tolerate receiving an amount of cash at maturity that is less than your principal amount or that may even be zero.
- You seek an investment that participates in the appreciation in the price of the Reference Stock or that has unlimited return potential.
- You want to receive dividends or other distributions paid on the Reference Stock.
- You cannot tolerate fluctuations in the price of the Notes prior to maturity that may be similar to or exceed the downside price fluctuations of the Reference Stock.
- You are unwilling to invest in the Notes based on the coupon rate set forth on the cover page of this document.
- You seek an investment for which there will be an active secondary market.
- You are unable or unwilling to invest in a security that may be called prior to maturity, or you are otherwise unable or unwilling to hold the Notes to maturity.
- You are not willing to assume our credit risk for all payments under the Notes, including any repayment of principal.

The suitability considerations identified above are not exhaustive. Whether or not the Notes are a suitable investment for you will depend on your individual circumstances, and you should reach an investment decision only after you and your investment, legal, tax, accounting, and other advisers have carefully considered the suitability of an investment in the Notes in light of your particular circumstances. You should also review carefully the “Key Risks” beginning on page 6 of this free writing prospectus and “Risk Factors” in the accompanying product prospectus supplement for risks related to an investment in the Notes. For more information on the Reference Stock, see “Information About the Reference Stock” in this free writing prospectus.

Indicative Terms of the Notes[1]

Issuer:	Royal Bank of Canada
Principal Amount per Note:	$10 per Note (subject to a minimum purchase of 100 Notes for $1,000)
Term:[2]	Approximately 12 months, if not previously called
Reference Stock:	The common stock of International Paper Company.
Closing Price:	On any trading day, the last reported sale price of the Reference Stock on the principal national securities exchange on which it is listed for trading, as determined by the calculation agent.
Initial Underlying Price:	The closing price of the Reference Stock on the trade date.
Final Underlying Price:	The closing price of the Reference Stock on the final valuation date.
Underlying Return:	Final Underlying Price - Initial Underlying Price Initial Underlying Price
Coupon Payment:	The coupon rate per annum will be 9.60% per annum. The coupon payments will be made in equal quarterly installments of $0.24 per $10 in principal amount on the Coupon Payment Dates, regardless of the performance of the Reference Stock, unless the Notes are earlier called.
Coupon Payment Dates:	Coupons will be paid in equal quarterly installments on the Coupon Payment Dates listed below, unless previously called. The Coupon Payment Dates are: July 9, 2019, October 8, 2019, January 8, 2020 and April 9, 2020. Coupons will be paid to the holders of record at the close of business on the date one business day prior to the applicable Coupon Payment Date. However, the coupon payable at maturity or upon our call will be paid to the holders to whom the payment of the amount due upon the call or at maturity is due.
Issuer Call Provision:	We may elect to call the Notes on any Coupon Payment Date (other than the final Coupon Payment Date), regardless of the price of the Reference Stock. If we call the Notes, we will pay you on the applicable Coupon Payment Date a cash payment per Note equal to the principal amount plus accrued and unpaid interest, and no further payments will be made on the Notes. Before we elect to call the Notes on a Coupon Payment Date, we will deliver written notice to The Depository Trust Company ("DTC") at least three business days prior to that date.
Payment at Maturity:	Ø If the Notes are not called prior to maturity, and the final underlying price of the Reference Stock is greater than or equal to the Downside Threshold, we will pay you at maturity an amount in cash equal to $10 for each $10 principal amount of the Notes, plus accrued and unpaid interest. Ø If we do not call the Notes prior to maturity, and the final underlying price of the Reference Stock is less than the Downside Threshold, we will pay to you at maturity an amount of cash for each $10 in principal amount equal to: $10 x (1 + Underlying Return) We will also pay to you accrued and unpaid interest on the Notes. This amount will be significantly less than the principal amount and may be $0.

[1] Terms used in this free writing prospectus, but not defined herein, shall have the meanings ascribed to them in the product prospectus supplement.

[2] In the event we make any change to the expected trade date and settlement date, the final valuation date and/or the maturity date will be changed to ensure that the stated term of the Notes remains approximately the same.

Downside Threshold:	80% of the initial underlying price, as specified on the cover page of this free writing prospectus (as may be adjusted by the calculation agent in the case of certain adjustment events as described under “General Terms of the Notes — Anti-dilution Adjustments” in the product prospectus supplement).

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Investment Timeline

April 3, 2019	The initial underlying price was determined.
Quarterly (including at Maturity):	We will pay the applicable coupon payments.
Quarterly (callable at our election):	We may, at our election and upon at least 3 business days' written notice to DTC, call the Notes on any Coupon Payment Date (other than the final Coupon Payment Date), regardless of the price of the Reference Stock. If we elect to call the Notes, we will pay you a cash payment per Note equal to the principal amount plus accrued and unpaid interest, and no further payments will be made on the Notes.
Maturity Date:	If the Notes have not been previously called, the final underlying price is determined as of the final valuation date. If the final underlying price of the Reference Stock is not less than the Downside Threshold, we will pay you the principal amount, together with the final coupon. However, if the final underlying price is less than the Downside Threshold, we will pay to you an amount in cash, for each \$10 in principal amount of the Notes, calculated as follows: \$10 x (1 + Underlying Return) In this case, we will pay an amount that is significantly less than the principal amount, and that may be zero. We will also pay to you the final coupon.

INVESTING IN THE NOTES INVOLVES SIGNIFICANT RISKS. YOU MAY LOSE SOME OR ALL OF YOUR PRINCIPAL AMOUNT AS YOU MAY RECEIVE AN AMOUNT AT MATURITY THAT IS LESS THAN YOUR PRINCIPAL AMOUNT OR HAVE NO VALUE AT ALL. ANY PAYMENT ON THE NOTES, INCLUDING ANY REPAYMENT OF PRINCIPAL, IS SUBJECT TO OUR CREDITWORTHINESS. IF WE WERE TO DEFAULT ON OUR PAYMENT OBLIGATIONS, YOU MAY NOT RECEIVE ANY AMOUNTS OWED TO YOU UNDER THE NOTES AND YOU COULD LOSE YOUR ENTIRE INVESTMENT.

Key Risks

An investment in the Notes involves significant risks. Investing in the Notes is not equivalent to investing directly in the Reference Stock. These risks are explained in more detail in the "Risk Factors" section of the accompanying product prospectus supplement. We also urge you to consult your investment, legal, tax, accounting and other advisors before investing in the Notes.

Risks Relating to the Notes Generally

- Your Investment in the Notes May Result in a Loss – The Notes differ from ordinary debt securities in that we will not necessarily pay the full principal amount of the Notes at maturity. At maturity, if the Notes have not been previously called, we will only pay you the principal amount of your Notes if the final underlying price of the Reference Stock is greater than or equal to the Downside Threshold. If the final underlying price of the Reference Stock is less than the Downside Threshold, we will pay you an amount reflecting the downside performance of the Reference Stock, and you may lose up to 100% of the principal amount.
- The Coupon Rate Per Annum Payable on the Notes Will Reflect in Part the Volatility of the Reference Stock, and May Not Be Sufficient to Compensate You for the Risk of Loss at Maturity – "Volatility" refers to the frequency and magnitude of changes in the price of the Reference Stock. The greater the volatility of the Reference Stock, the more likely it is that the price of that stock could close below the Downside Threshold on the final valuation date, which would result in the loss of some or all of your principal. This risk will generally be reflected in a higher coupon rate per annum payable on the Notes than the interest rate payable on our conventional debt securities with a comparable term and/or a lower Downside Threshold than on otherwise comparable securities. Therefore, a relatively higher coupon rate may indicate an increased risk of loss. Further, a relatively lower Downside Threshold may not necessarily indicate that the Notes have a greater likelihood of a return of principal at maturity. However, while the coupon rate and the Downside Threshold were set prior to the trade date, the Reference Stock's volatility can change significantly over the term of the Notes, and may increase. The price of the Reference Stock could fall sharply as of the final valuation date, which could result in a significant loss of principal.
- The Contingent Repayment of Principal Applies Only at Maturity – If we do not call the Notes prior to maturity, you should be willing to hold your Notes to maturity. If you are able to sell your Notes prior to maturity in the secondary market, if any, you may have to do so at a loss relative to your initial investment, even if the price of the Reference Stock is above the Downside Threshold.
- Reinvestment Risk – If we call the Notes prior to the Maturity Date, no further payments will be owed to you under the Notes. Therefore, because the Notes could be called as early as the first Coupon Payment Date, the holding period over which you would receive the relevant coupon rate as specified on the cover page, could be as little as three months. There is no guarantee that you would be able to reinvest the proceeds from an investment in the Notes at a comparable return for a similar level of risk if we call the Notes prior to the Maturity Date.

It is more likely that we will elect to call the Notes prior to maturity when the sum of the expected remaining payments on the Notes is greater than the amounts that would be payable on other instruments issued by us of comparable maturity, terms and credit rating trading in the market. We are less likely to call the Notes prior to maturity when the sum of the expected remaining payments on the Notes is less than the amounts that would be payable on other comparable instruments issued by us. Therefore, the Notes are more likely to remain outstanding when your risk of losing all or a portion of the principal amount at maturity is relatively higher.

- An Investment in the Notes Is Subject to Our Credit Risk – The Notes are our unsubordinated, unsecured debt obligations, and are not, either directly or indirectly, an obligation of any third party. Any payments to be made on the Notes, including coupon payments and any repayment of principal provided at maturity, depends on our ability to satisfy our obligations as they come due. As a result, our actual and perceived creditworthiness may affect the market value of the Notes and, if we were to default on our obligations, you may not receive any amounts owed to you under the terms of the Notes and you could lose your entire investment.
- The Notes Will be Subject to Risks, Including Non-Payment in Full, Under Canadian Bank Resolution Powers — Under Canadian bank resolution powers, the Canada Deposit Insurance Corporation ("CDIC") may, in circumstances where we have ceased, or are about to cease, to be viable, assume temporary control or ownership over us and may be granted broad powers by one or more orders of the Governor in Council (Canada), including the power to sell or dispose of all or a part of our assets, and the power to carry out or cause us to carry out a transaction or a series of

transactions the purpose of which is to restructure our business. See "Description of Debt Securities Canadian Bank Resolution Powers" in the accompanying prospectus for a description of the Canadian bank resolution powers, including the bail-in regime. If the CDIC were to take action under the Canadian bank resolution powers with respect to us, holders of the Notes could be exposed to losses.

¨ Holders of the Notes Should Not Expect to Participate in any Appreciation of the Reference Stock, and Your Potential Return on the Notes Is Limited to the Coupon Payments Paid on the Notes – Despite being exposed to the risk of a decline in the price of the Reference Stock, you should not expect to participate in any appreciation in the price of the Reference Stock. Any positive return on the Notes is limited to the coupon rate per annum. Accordingly, if the Notes are called prior to maturity, you will not participate in any of the Reference Stock's appreciation and your return will be limited to the principal amount plus the coupons paid up to and including the applicable payment. Similarly, if the Notes are not called prior to the final valuation date and the final underlying price is greater than the initial underlying price, your return on the Notes at maturity may be less than your return on a direct investment in the Reference Stock or on a similar security that allows you to participate in the appreciation of the price of the Reference Stock. In contrast, if the final underlying price is less than the Downside Threshold, you will be exposed to the decline of the Reference Stock and we will pay to you at maturity for each Note you own an amount that will be significantly less than the principal amount, in which case you may even lose your entire investment. As a result, any positive return on the Notes is limited to the coupon rate per annum.

¨ An Investment in the Notes Is Subject to Single Stock Risk – The price of the Reference Stock can rise or fall sharply due to factors specific to the Reference Stock and its issuer, such as stock price volatility, earnings, financial conditions, corporate, industry and regulatory developments, management changes and decisions and other events, as well as general market factors, such as general stock market volatility and levels, interest rates and economic and political conditions. You, as an investor in the Notes, should make your own investigation into the Reference Stock issuer and the Reference Stock for your Notes. For additional information about the Reference Stock and its issuer, please see "Information about the Reference Stock" in this free writing prospectus and the Reference Stock issuer's SEC filings referred to in that section. We urge you to review financial and other information filed periodically by the Reference Stock issuer with the SEC.

¨ Owning the Notes Is Not the Same as Owning the Reference Stock – The return on your Notes may not reflect the return you would realize if you actually owned the Reference Stock. For instance, you will not receive or be entitled to receive any dividend payments or other distributions over the term of the Notes. As an owner of the Notes, you will not have voting rights or any other rights that holders of the Reference Stock may have. Further, the Reference Stock may appreciate over the term of the Notes and you will not participate in any such appreciation, which could be significant, even though you may be exposed to the decline of the Reference Stock at maturity.

¨ There Is No Affiliation Between the Reference Stock Issuer and Us, UBS and Our Respective Affiliates, and We Are Not Responsible for Any Disclosure by That Issuer - We, UBS and our respective affiliates are not affiliated with the Reference Stock issuer. However, we, UBS and our respective affiliates may currently, or from time to time in the future engage in business with the Reference Stock issuer. Nevertheless, neither we nor our affiliates assume any responsibilities for the accuracy or the completeness of any information about the Reference Stock and the Reference Stock issuer. You, as an investor in the Notes, should make your own investigation into the Reference Stock and the Reference Stock issuer for your Notes. The Reference Stock issuer is not involved in this offering and has no obligation of any sort with respect to your Notes. The Reference Stock issuer has no obligation to take your interests into consideration for any reason, including when taking any corporate actions that might affect the value of your Notes.

¨ There Can Be No Assurance that the Investment View Implicit in the Notes Will Be Successful – It is impossible to predict whether and the extent to which the price of the Reference Stock will rise or fall. The closing price of the Reference Stock will be influenced by complex and interrelated political, economic, financial and other factors that affect the Reference Stock. You should be willing to accept the downside risks of owning equities in general and the Reference Stock in particular, and the risk of losing some or all of your initial investment.

¨ The Initial Estimated Value of the Notes Will Be Less than the Price to the Public – The initial estimated value for each of the Notes, and that will be set forth in the final pricing supplement for each of the Notes, which will be less than the public offering price you pay for the Notes, does not represent a minimum price at which we, RBCCM or any of our other affiliates would be willing to purchase the Notes in any secondary market (if any exists) at any time. If you attempt to sell the Notes prior to maturity, their market value may be lower than the price you paid for them and the initial estimated value. This is due to, among other things, changes in the price of the Reference Stock, the borrowing rate we pay to issue securities of this kind, and the inclusion in the price to public of the underwriting discount, and our estimated profit and the costs relating to our hedging of the Notes. These factors, together with various credit, market and economic factors over the term of the Notes, are expected to reduce the price at which you may be able to sell the Notes in any secondary market and will affect the value of the Notes in complex and unpredictable ways. Assuming no change in market conditions or any other relevant factors, the price, if any, at which you may be able to sell your Notes prior to maturity may be less than the price to public, as any such sale price would not be expected to include the underwriting discount and our estimated profit and the costs relating to our hedging of the Notes. In addition, any price at which you may sell the Notes is likely to reflect customary bid-ask spreads for similar trades. In addition to bid-ask spreads, the value of the Notes determined for any secondary market price is expected to be based on a secondary market rate rather than the internal borrowing rate used to price the Notes and determine the initial estimated value. As a result, the secondary price will be less than if the internal borrowing rate was used. The Notes are not designed to be short-term trading instruments. Accordingly, you should be able and willing to hold your Notes to maturity.

¨ Our Initial Estimated Value of the Notes Is an Estimate Only, Calculated as of the Time the Terms of the Notes Are Set – The initial estimated value of each of the Notes is based on the value of our obligation to make the payments on the Notes, together with the mid-market value of the derivative embedded in the terms of the Notes. See "Structuring the Notes" below. Our estimate is based on a variety of assumptions, including our credit spreads, expectations as to dividends, interest rates and volatility, and the expected term of the Notes. These assumptions are based on certain forecasts about future events, which may prove to be incorrect. Other entities may value the Notes or similar securities at a price that is significantly different than we do.

The value of the Notes at any time after the trade date will vary based on many factors, including changes in market conditions, and cannot be predicted with accuracy. As a result, the actual value you would receive if you sold the Notes in any secondary market, if any, should be expected to differ materially from the initial estimated value of your Notes and the amount that may be paid at maturity.

¨ Lack of Liquidity – The Notes will not be listed on any securities exchange. RBCCM intends to offer to purchase the Notes in the secondary market, but is not required to do so. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Notes easily. Because other dealers are not likely to make a secondary market for the Notes, the price at which you may be able to trade your Notes is likely to depend on the price, if any, at which RBCCM is willing to buy the Notes.

¨ Potential Conflicts – We and our affiliates play a variety of roles in connection with the issuance of the Notes, including hedging our obligations under the Notes. In performing these duties, the economic interests of the calculation agent and other affiliates of ours are potentially adverse to your interests as an investor in the Notes.

¨ Potentially Inconsistent Research, Opinions or Recommendations by RBCCM, UBS or Their Respective Affiliates – RBCCM, UBS or their respective affiliates may publish research, express opinions or provide recommendations as to the Reference Stock that are inconsistent with investing in or holding the Notes, and which may be revised at any time. Any such research, opinions or recommendations could affect the price of the Reference Stock, and therefore the market value of the Notes.

- Uncertain Tax Treatment – Significant aspects of the tax treatment of an investment in the Notes are uncertain. You should consult your tax adviser about your tax situation.
- Potential Royal Bank of Canada and UBS Impact on Price – Trading or other transactions by Royal Bank of Canada, UBS and our respective affiliates in the Reference Stock, or in futures, options, exchange-traded funds or other derivative products on the Reference Stock may adversely affect the market value of the Reference Stock, the closing price of the Reference Stock, and, therefore, the market value of the Notes.
- The Terms of the Notes at Issuance and Their Market Value Prior to Maturity Will Be Influenced by Many Unpredictable Factors – Many economic and market factors will influence the terms of the Notes at issuance and their value prior to maturity. These factors are similar in some ways to those that could affect the value of a combination of instruments that might be used to replicate the payments on the Notes, including a combination of a bond with one or more options or other derivative instruments. For the market value of the Notes, we expect that, generally, the price of the Reference Stock on any day will affect the value of the Notes more than any other single factor. However, you should not expect the value of the Notes in the secondary market to vary in proportion to changes in the price of the Reference Stock. The value of the Notes will be affected by a number of other factors that may either offset or magnify each other, including:
- the actual and expected volatility of the price of the Reference Stock;
- the time remaining to maturity of the Notes;
- the dividend rate on the Reference Stock;
- interest and yield rates in the market generally;
- a variety of economic, financial, political, regulatory or judicial events;
- the occurrence of certain events relating to the Reference Stock that may or may not require an adjustment to the terms of the Notes; and
- our creditworthiness, including actual or anticipated downgrades in our credit ratings.

Some or all of these factors will influence the terms of the Notes at issuance as well as the price you will receive if you choose to sell the Notes prior to maturity. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors. You may have to sell the Notes at a substantial discount from the principal amount if the price of the Reference Stock is at, below or not sufficiently above, the Downside Threshold.

- The Anti-Dilution Protection for the Reference Stock Is Limited – The calculation agent will make adjustments to the initial underlying price and the Downside Threshold for certain events affecting the shares of the Reference Stock. However, the calculation agent will not be required to make an adjustment in response to all events that could affect the Reference Stock. If an event occurs that does not require the calculation agent to make an adjustment, the value of the Notes and the payments on the Notes may be materially and adversely affected.