



AMENDMENT NO. 2 dated December 14, 2020 to the simplified prospectus dated June 26, 2020, as amended by amendment no. 1 dated September 25, 2020.

PH&N FUNDS

Series A, Series D, Series F and Series O units

Phillips, Hager & North Balanced Fund

Series F and Series O units

Phillips, Hager & North Balanced Pension Trust

(each, a *fund* and collectively, the *funds*)

This amendment no. 2 dated December 14, 2020 to the simplified prospectus of the funds dated June 26, 2020, as amended by amendment no. 1 dated September 25, 2020 (the *simplified prospectus*), provides certain additional information relating to the funds, and the simplified prospectus, with respect to the funds, should be read subject to this information.

Summary

At a special meeting of the unitholders of Series A, Series D, Series F and Series O units of Phillips, Hager & North Balanced Fund and Series F and Series O units of Phillips, Hager & North Balanced Pension Trust held on December 4, 2020, unitholders approved an ordinary resolution (as described in the management information circular of the funds dated October 30, 2020) relating to the change in investment objective of the funds. The fundamental investment objectives of each of the funds will be to provide long-term capital growth and income by investing primarily in a well-diversified, balanced portfolio of common stocks, bonds and money market securities from anywhere around the world (the *Change in Investment Objectives*). In connection with the Change in Investment Objectives, RBC Global Asset Management Inc., the manager of the funds, will also change the investment strategies for each of the funds to allow the funds to invest their assets anywhere around the world in excess of the current limit of 50% in non-Canadian securities.

Amendments

The simplified prospectus is hereby amended as follows:

1. The disclosure under the subheading “What does the Fund invest in? – Investment objectives” on page 35 is hereby deleted and replaced with the following:

“The fundamental investment objectives of the Fund are to provide long-term capital growth and income by investing primarily in a well-diversified, balanced portfolio of common stocks, bonds and money market securities from anywhere around the world.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund’s investment strategies described below, at our discretion.”

2. The following paragraph under the subheading “What does the Fund invest in? – Investment strategies” on page 36 is hereby deleted in its entirety:

“The Fund may invest a portion of its net asset value in non-Canadian securities where such investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 50% of its net asset value in non-Canadian securities.”

3. The disclosure under the subheading “What does the Fund invest in? – Investment objectives” on page 105 is hereby deleted and replaced with the following:

“The fundamental investment objectives of the Fund are to provide long-term capital growth and income by investing primarily in a well-diversified, balanced portfolio of common stocks, bonds and money market securities from anywhere around the world.

Fundamental investment objectives may only be changed with the approval of a majority of unitholders at a meeting called for that purpose. However, we may change the Fund’s investment strategies described below, at our discretion.”

4. The following paragraph under the subheading “What does the Fund invest in? – Investment strategies” on page 106 is hereby deleted in its entirety:

“The Fund may invest a portion of its net asset value in non-Canadian securities where such investment is compatible with the investment objectives of the Fund. Although there is no specific limitation on the percentage of the net asset value of the Fund that may be invested in non-Canadian securities, as of the date of this Simplified Prospectus we do not expect that the Fund will invest more than 50% of its net asset value in non-Canadian securities.”

What are your legal rights?

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus or fund facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund units and get your money back, or make a claim for damages, if the simplified prospectus, annual information form, fund facts or financial statements misrepresent any facts about the funds. These rights must usually be exercised within certain time limits.

For more information, please refer to the securities legislation of your province or territory, or consult your lawyer.

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