



AMENDMENT NO. 3 dated April 20, 2020 to the simplified prospectus dated June 27, 2019, as amended by Amendment No. 1 dated July 10, 2019 and Amendment No. 2 dated April 8, 2020.

PH&N FUNDS

Offering Series A, Advisor Series, Series D, Series F and Series O units of the

Phillips, Hager & North High Yield Bond Fund

(the "Fund")

This Amendment No. 3 dated April 20, 2020 to the simplified prospectus of the Fund dated June 27, 2019, as amended by Amendment No. 1 dated July 10, 2019 and Amendment No. 2 dated April 8, 2020 (the "Simplified Prospectus") provides certain additional information relating to the Fund. The Simplified Prospectus with respect to the Fund should be read subject to this information. All terms used and not defined in this Amendment No. 3 have the same meaning as those used in the Simplified Prospectus. All page numbers refer to the pages in the commercial printed copy of the Simplified Prospectus.

Summary

RBC Global Asset Management Inc. has announced that effective April 17, 2020, Series A, Advisor Series, Series D, Series F and Series O units of the Fund are closed to new investors. Existing unitholders of the Fund will continue to be able to make investments in Series A, Advisor Series, Series D, Series F and Series O units of the Fund after it is capped.

Amendment

Effective April 17, 2020, the Simplified Prospectus is hereby amended as follows:

1. The *Fund details* table on page 28 of the Simplified Prospectus is amended by (i) adding a reference to note 2 in the second row – "Date started", (ii) redesignating note 2 as note 3 and (iii) replacing the current reference to note 2 in the *Management fee* column in the fifth row *Fees and expenses* with a reference to note 3.
2. The following text is inserted: (i) as note 2 to the *Fund details* table on page 28 of the Simplified Prospectus; and (ii) as the second paragraph under the heading *Restrictions on purchasing units of certain Funds* on page 119 of the Simplified Prospectus:

Effective April 17, 2020, units of the High Yield Bond Fund are no longer available for purchase by new investors. Investors who held units of the High Yield Bond Fund on April 17, 2020 can continue to make additional investments into the High Yield Bond Fund. In addition, PH&N may also maintain capacity for certain investors, including investment funds managed by PH&N or its affiliates, that may invest in the High Yield Bond Fund. Please contact us or your dealer for more information.

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 Fund. 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.

Phillips, Hager & North Investment Management is a division of RBC Global Asset Management Inc., the manager of the Fund and an indirect wholly-owned subsidiary of Royal Bank of Canada.

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108482 (04-2020)