

CITY NATIONAL CORP
Form DEFM14A
April 22, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
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City National Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Stockholder of City National Corporation:

On January 22, 2015, City National Corporation (City National), Royal Bank of Canada (RBC) and RBC USA Holdco Corporation (Holdco), entered into an Agreement and Plan of Merger (the merger agreement), pursuant to which RBC has agreed to acquire City National in a stock and cash transaction. Under the terms of the merger agreement, City National will merge with and into Holdco (the merger), with Holdco surviving the merger as a wholly owned subsidiary of RBC. City National is sending this document to ask common stockholders to vote in favor of adoption of the merger agreement and to provide information about the merger to preferred stockholders, whose vote is not required, and is not being solicited, in connection with the merger.

If the merger is completed, if you are a common stockholder, you will be entitled to receive for each share of City National common stock owned by you, at your election and subject to proration and certain other limitations as set forth in the merger agreement, either cash or common shares of RBC.

Each City National share of common stock that is converted into the right to receive the cash consideration will receive an amount in cash equal to the Per Share Amount , which will be calculated by dividing the Closing Transaction Value by the number of shares of City National common stock outstanding at the completion of the merger. The Closing Transaction Value will be calculated by adding the aggregate cash included in the merger consideration (\$94.50 multiplied by 50% of the number of shares of City National common stock outstanding at completion of the merger (subject to certain adjustments)) and the aggregate number of RBC common shares included in the merger consideration (41,358,212, as increased based on increases in City National shares permitted to be issued following execution of the merger agreement and decreased by shares of City National, if any, cancelled in connection with the merger), multiplied by the volume weighted average RBC common share price for the ten trading days prior to closing (the VWAP) which is calculated using both the New York Stock Exchange (the NYSE) and the Toronto Stock Exchange (the TSX) volumes and the Bank of Canada daily noon Canada/U.S. exchange rate on each applicable day. Each City National share that is converted into the right to receive the share consideration will receive a number of RBC common shares equal to the Per Share Amount divided by the VWAP.

Assuming a hypothetical VWAP of \$62.16 (which amount is the closing price of an RBC common share on the NYSE on January 21, 2015, the last trading day before public announcement of the merger), the value of the Per Share Amount would be approximately \$93.80 assuming the merger closed on January 22, 2015. Using this Per Share Amount, the cash consideration per City National share of common stock converted into the cash consideration would be approximately \$93.80 and the share consideration per City National share of common stock converted into the share consideration would be approximately 1.509 RBC common shares, which, based on the closing stock price of RBC common shares on the NYSE on January 21, 2015, the last day before public announcement of the transaction, would have had a market value of approximately \$93.80.

The market prices of both RBC common shares and City National common stock will fluctuate before the completion of the merger, and the market price of RBC common shares may also fluctuate between the completion of the merger and the time you receive any RBC common shares. Accordingly, the actual VWAP, amount of cash consideration per City National share of common stock exchangeable for cash consideration and amount of share consideration per City National share of common stock exchangeable for share consideration will fluctuate, and those amounts as of the completion of the merger will likely vary from the sample numbers provided above (which are based on the above stated assumptions and provided for illustrative purposes). **You should obtain current stock price quotations for RBC common shares and City National common stock before you vote.** RBC common shares are quoted on the NYSE and the TSX under the symbol RY . City National common stock is quoted on the NYSE under the symbol CYN .

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The merger cannot be completed unless City National common stockholders holding at least a majority of the shares outstanding as of the close of business on April 22, 2015, the record date for the special meeting, vote in favor of the adoption of the merger agreement at the special meeting.

The special meeting of City National common stockholders will be held on May 27, 2015, at City National Plaza, 555 South Flower Street, Thirteenth Floor, Los Angeles, California 90071, at 4:00 p.m. local time.

YOUR VOTE IS VERY IMPORTANT, REGARDLESS OF THE NUMBER OF SHARES OF CITY NATIONAL COMMON STOCK YOU OWN. TO ENSURE YOUR REPRESENTATION AT THE CITY NATIONAL SPECIAL MEETING, PLEASE TAKE TIME TO VOTE BY FOLLOWING THE INSTRUCTIONS CONTAINED IN THIS PROXY STATEMENT/PROSPECTUS AND ON YOUR PROXY CARD. Please vote promptly whether or not you expect to attend the City National special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the City National special meeting.

CITY NATIONAL S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT CITY NATIONAL COMMON STOCKHOLDERS VOTE **FOR** THE PROPOSAL TO ADOPT THE MERGER AGREEMENT AND **FOR** THE OTHER MATTERS TO BE CONSIDERED AT THE CITY NATIONAL SPECIAL MEETING.

The accompanying proxy statement/prospectus describes the special meeting of City National common stockholders, the merger, the documents relating to the merger and other related matters. **Please read carefully the entire proxy statement/prospectus, including the section entitled Risk Factors beginning on page 22, and the appendices and documents incorporated by reference into the proxy statement/prospectus.**

If you have any questions regarding the accompanying proxy statement/prospectus, you may contact Innisfree M&A Inc, City National s proxy solicitor, by calling toll-free at (888) 750-5834.

Sincerely,

Russell Goldsmith

Chairman of the Board and Chief Executive Officer

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION, NOR ANY U.S. STATE OR CANADIAN PROVINCIAL OR TERRITORIAL SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE MERGER OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The securities to be issued in connection with the merger are not savings or deposit accounts and are not insured by the Federal Deposit Insurance Corporation, the Canada Deposit Insurance Corporation or any other governmental agency.

The date of this proxy statement/prospectus is April 22, 2015, and it is first being mailed or otherwise delivered to City National common stockholders on or about April 22, 2015.

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Royal Bank of Canada, or RBC, and City National Corporation, or City National, from documents filed with or furnished to the U.S. Securities and Exchange Commission, or SEC, that is not included in or delivered with this proxy statement/prospectus.

You can obtain any of the documents filed with or furnished to the SEC by RBC or City National, as the case may be, at no cost from the SEC's website at www.sec.gov. You may also request copies of these documents, including documents incorporated by reference in this proxy statement/prospectus, at no cost by contacting either RBC or City National, as the case may be, at the following addresses:

ROYAL BANK OF CANADA

**200 Bay Street
Royal Bank Plaza
Toronto, Ontario
Canada, M5J 2J5
Attention: Corporate Secretary
Telephone: (416) 955-7806**

CITY NATIONAL CORPORATION

**City National Plaza
555 South Flower Street,
Los Angeles, California 90071
Attention: Corporate Secretary
Telephone: (213) 673-7700**

In addition, if you have questions about the merger or the City National special meeting, need additional copies of this document or need to obtain proxy cards or other information related to the proxy solicitation, you may contact Innisfree M&A Inc, City National's proxy solicitor, at the following address and telephone numbers:

Innisfree M&A Inc

Toll free telephone: (888) 750-5834

Brokers and banks, please call: (212) 750-5833

You will not be charged for any of these documents that you request. In order to receive timely delivery of the documents in advance of the City National special meeting, you should make your request to RBC or City National, as the case may be, no later than May 19, 2015, or five trading days prior to the City National special meeting.

See [Where You Can Find More Information](#) beginning on page 132 of this proxy statement/prospectus for more details.

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NOTICE OF SPECIAL MEETING OF COMMON STOCKHOLDERS TO BE HELD ON MAY 27, 2015

Dear Common Stockholder of City National Corporation:

You are cordially invited to attend a special meeting of City National Corporation (City National) common stockholders. The special meeting will be held on May 27, 2015, at 4:00 p.m. local time, at City National Plaza, 555 South Flower Street, Thirteenth Floor, Los Angeles, California 90071, to consider and vote upon the following matters:

1. a proposal to adopt the agreement and plan of merger (the merger agreement), dated as of January 22, 2015, as it may be amended from time to time, by and among City National Corporation, Royal Bank of Canada (RBC) and RBC USA Holdco Corporation (Holdco) (the merger agreement proposal);
2. a proposal to approve, by advisory (non-binding) vote, certain compensation that may be paid or become payable to City National s named executive officers in connection with the merger (the merger-related compensation proposal); and
3. a proposal for adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement (the adjournment proposal).

These proposals and the special meeting are described in further detail in the accompanying proxy statement/prospectus, which you should read carefully and in its entirety before you vote, including the appendices and documents incorporated by reference. A copy of the merger agreement is attached as Appendix A to the accompanying proxy statement/prospectus.

The record date for the special meeting has been set as April 22, 2015. Only City National common stockholders of record as of the close of business on such record date are entitled to notice of, and to vote at, the special meeting or any adjournments and postponements thereof.

Approval of the merger agreement proposal requires the affirmative vote of the holders of at least a majority of the outstanding shares of City National common stock entitled to vote thereon. Approval of the merger-related compensation proposal requires the affirmative vote of the holders of a majority of shares of City National common stock present in person or represented by proxy and entitled to vote thereon; however, such vote is advisory (non-binding) only. Approval of the adjournment proposal requires the affirmative vote of the holders of a majority of shares of City National common stock present in person or represented by proxy and entitled to vote thereon, whether or not a quorum is present.

CITY NATIONAL S BOARD OF DIRECTORS UNANIMOUSLY ADOPTED AND APPROVED THE MERGER AGREEMENT, THE MERGER AND THE OTHER TRANSACTIONS CONTEMPLATED THEREBY, AND

DETERMINED THAT THE MERGER AGREEMENT, THE MERGER AND THE OTHER TRANSACTIONS CONTEMPLATED THEREBY ARE ADVISABLE, FAIR TO AND IN THE BEST INTERESTS OF CITY NATIONAL AND ITS STOCKHOLDERS. CITY NATIONAL'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT CITY NATIONAL COMMON STOCKHOLDERS VOTE **FOR** THE MERGER AGREEMENT PROPOSAL, **FOR** THE MERGER-RELATED COMPENSATION PROPOSAL AND **FOR** THE ADJOURNMENT PROPOSAL.

YOUR VOTE IS VERY IMPORTANT, REGARDLESS OF THE NUMBER OF SHARES OF CITY NATIONAL COMMON STOCK THAT YOU OWN. WE CANNOT COMPLETE THE MERGER UNLESS CITY NATIONAL'S COMMON STOCKHOLDERS ADOPT THE MERGER AGREEMENT.

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Even if you plan to attend the special meeting in person, City National requests that you complete, sign, date and return, as promptly as possible, the enclosed proxy card in the accompanying prepaid reply envelope or submit your proxy by telephone or Internet prior to the special meeting to ensure that your shares of City National common stock will be represented at the special meeting if you are unable to attend. If you hold your shares in street name through a bank, brokerage firm or other nominee, you should follow the procedures provided by your bank, brokerage firm or other nominee to vote your shares. If you fail to submit a proxy or to attend the special meeting in person or do not provide your bank, brokerage firm or other nominee with instructions as to how to vote your shares, as applicable, your shares of City National common stock will not be counted for purposes of determining whether a quorum is present at the special meeting and will have the same effect as a vote **AGAINST** the approval of the merger agreement proposal.

If you have any questions regarding the accompanying proxy statement/prospectus, you may contact Innisfree M&A Inc, City National's proxy solicitor, by calling toll-free at (888) 750-5834.

Sincerely,

Russell Goldsmith

Chairman of the Board and Chief Executive Officer

Los Angeles, California

Dated: April 22, 2015

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE CITY NATIONAL SPECIAL MEETING

*The following are some questions that you may have regarding the merger and the City National special meeting, and brief answers to those questions. We urge you to read carefully the remainder of this document because the information in this section does not provide all the information that might be important to you with respect to the merger and the City National special meeting. Additional important information is also contained in the documents incorporated by reference into this proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 132 and *Where You Can Find More Information Incorporation of Certain Documents by Reference* beginning on page 132.*

*References in this proxy statement/prospectus to *City National* refer to City National Corporation, a Delaware corporation, and, unless the context otherwise requires, to its affiliates (which does not include RBC). References in this proxy statement/prospectus to *RBC* refer to Royal Bank of Canada, a Schedule I Bank under the Bank Act (Canada), and, unless the context otherwise requires, to its affiliates (which does not include City National).*

Q: What is the merger and the merger agreement?

A: RBC and City National have entered into an Agreement and Plan of Merger, dated as of January 22, 2015, referred to as the *merger agreement*, pursuant to which RBC has agreed to acquire City National upon certain terms and conditions. A copy of the merger agreement is attached as Appendix A to this proxy statement/prospectus. Under the terms of the merger agreement, City National will merge with and into RBC USA Holdco Corporation, which is a direct wholly-owned United States subsidiary of RBC referred to as *Holdco*, with Holdco continuing as the surviving entity, which transaction is referred to as the *merger*. The completion of the merger is subject to a number of conditions described in more detail in this document, including approval by the City National common stockholders.

Q: What am I being asked to vote on at the City National special meeting as a holder of City National common stock?

A: City National common stockholders are being asked to approve the merger agreement and the transactions it contemplates, including the merger, which is referred to as the *merger agreement proposal*.

City National common stockholders also are being asked to approve (i) a proposal to approve, by advisory (non-binding) vote, certain compensation that may be paid or become payable to City National's named executive officers in connection with the merger, referred to as the *merger-related compensation proposal*, and (ii) the adjournment of the City National special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the merger agreement proposal, which is referred to as the *adjournment proposal*.

Q: Are holders of City National preferred stock entitled to vote at the City National special meeting?

A: No. Holders of City National preferred stock and the corresponding City National depository shares are not entitled to and are not being requested to vote on the merger agreement proposal, the merger-related compensation proposal or the adjournment proposal, or otherwise at the City National special meeting.

Q: How does City National's board of directors recommend that common stockholders vote on the three proposals?

A: City National's board of directors unanimously recommends that common stockholders vote **FOR** the merger agreement proposal, **FOR** the merger-related compensation proposal and **FOR** the adjournment proposal.

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Q: What will I receive as a holder of City National common stock if the merger is completed?

A: Under the terms and subject to the conditions of the merger agreement, at the effective time of the merger, each share of common stock, par value \$1.00 per share, of City National will be converted into the right to receive an amount of cash (referred to as cash consideration) or an amount of RBC common shares (referred to as share consideration) at the election of the holder, subject to proration and certain other adjustments and limitations as provided for in the merger agreement.

Each share of City National common stock that is converted into the right to receive cash consideration will receive an amount in cash equal to the Per Share Amount . The Per Share Amount will be calculated by dividing the Closing Transaction Value by the number of shares of City National common stock outstanding at completion of the merger. Subject to certain adjustments and limitations as set forth in the merger agreement, the Closing Transaction Value represents an aggregate value, calculated by adding (1) the aggregate cash included in the merger consideration (\$94.50 multiplied by 50% of the number of shares of City National common stock outstanding at completion of the merger (subject to certain adjustments)) and (2) the aggregate number of RBC common shares included in the merger consideration (41,358,212, as increased based on increases in City National shares permitted to be issued following execution of the merger agreement and decreased by shares of City National, if any, cancelled in connection with the merger) multiplied by the volume weighted average RBC common share price for the ten trading days preceding the day of completion of the merger (the VWAP) (calculated using both the New York Stock Exchange (NYSE) and the Toronto Stock Exchange (the TSX) volumes and the Bank of Canada daily noon Canada/U.S. exchange rate on each applicable day).

Each share of City National common stock that is converted into the right to receive share consideration will receive a number of RBC common shares equal to the Per Share Amount divided by the VWAP.

It is not possible until the completion of the merger to determine the exact amount of cash consideration or share consideration that a share of City National common stock will be converted into the right to receive. For more information about these calculations see the section entitled The Merger Terms of the Merger beginning on page 39.

RBC common shareholders will continue to own their existing common shares, the ownership of which will not be affected by the merger.

Q: Will I receive the form of consideration I elect as a holder of City National common stock?

A: Each holder of City National common stock may not receive the form of consideration that such stockholder elects in the merger, due to the proration and adjustment procedures in the merger agreement.

The merger agreement specifies the aggregate amounts of cash consideration and share consideration to be issued to holders of City National common stock in the merger, which exact amounts cannot be determined until the day

of completion of the merger. Based on the comparative value of the aggregate share consideration (valued based on the VWAP) and the aggregate cash consideration, the merger agreement will specify the number of shares of City National common stock that will be converted into the right to receive cash consideration, referred to as the Cash Conversion Number , and the number of shares of City National common stock that will be converted into the right to receive share consideration, referred to as the Stock Conversion Number . The merger agreement does not take into account the elections made by City National common stockholders in determining these numbers, and as a result the elections of some City National common stockholders will be prorated in the event either form of consideration is oversubscribed. In the event the number of City National cash election shares exceeds the Cash Conversion Number, the applicable pro rata portion of such cash election shares held by each City National common stockholder will instead be converted into the right to receive share consideration. Similarly, in the event the number of City National stock election shares exceeds the Stock Conversion Number, the applicable pro rata portion of such stock election shares held by each City National common stockholder will instead be converted into the right to receive cash consideration.

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In each of the above cases, shares of City National common stock with respect to which no valid election will be made will be converted to the undersubscribed form of consideration first. The allocation of the mix of consideration payable to City National common stockholders in the merger will not be known until the completion of the merger or until a time after completion.

Q: How do I make an election to receive cash, RBC common shares or a combination of both?

A: Unless agreed otherwise by City National and RBC, an election form will be mailed 35 days prior to the anticipated closing date of the merger to each holder of record of City National common stock as of the close of business on the fifth business day prior to the date of mailing. Each City National common stockholder should complete and return the election form, along with City National stock certificate(s) (or a properly completed notice of guaranteed delivery) according to the instructions included with the form. The election form will be provided to City National common stockholders under separate cover and is not being provided with this document. The election deadline will be 3:00 p.m., New York time, on the date specified in the election form, which is expected to be 30 days following the mailing day of the election form.

If your shares of City National common stock are held in street name, through a broker, bank or other nominee and you wish to make an election, you should seek instructions from the broker, bank or other nominee holding your shares concerning how to make an election. If you do not send in the election form with your stock certificate(s) by the election deadline, you will be treated as though you had not made an election.

If you hold shares of City National common stock through your account under the City National Corporation Profit Sharing Plan (the Profit Sharing Plan), you will receive separate instructions on how to make an election with respect to such shares.

Q: What happens if I do not make a valid election to receive cash or RBC common shares?

A: If a City National common stockholder does not return a properly completed election form by the election deadline specified in the election form, such stockholder's shares of City National common stock will be considered non-election shares and will be converted into the right to receive the share consideration or the cash consideration according to the allocation procedures specified in the merger agreement. Generally, in the event one form of consideration (cash or RBC common shares) is undersubscribed in the merger, shares of City National common stock for which no election has been validly made will be allocated to that form of consideration before shares of City National common stock electing the oversubscribed form will be switched to it pursuant to the proration and adjustment procedures. Accordingly, while electing one form of consideration will not guarantee you will receive that form for all of your shares of City National common stock, in the event proration is necessary electing shares will have a priority over non-election shares.

Q: What will I receive as a holder of City National preferred stock or as a holder of City National depository shares representing an interest in City National preferred stock if the merger is completed?

A: Each outstanding share of City National's 5.50% Non-Cumulative Perpetual Preferred Stock, Series C and City National's 6.750% Fixed Rate/Floating Rate Non-Cumulative Preferred Stock, Series D is presently represented by depositary shares, referred to as "City National Depositary Shares", which are listed on the NYSE and represent a one-fortieth interest in a share of the corresponding series of City National preferred stock. Upon completion of the merger RBC will issue shares of two new series of RBC preferred shares, referred to as the "New RBC Preferred Shares", each of which will correspond to a series of City National preferred stock and will have powers, preferences and special rights that are substantially similar to and not materially less favorable to the holder than the powers, preferences and special rights set out in the certificate of designations of such series of City National preferred stock. Upon completion of the merger, each share of City National preferred stock will be cancelled and RBC will issue to the former holder a New

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RBC Preferred Share of the corresponding series. The City National Depository Shares will thereafter represent a one-fortieth interest in the relevant series of New RBC Preferred Shares. Such depository shares will continue to be listed on the NYSE upon completion of the merger under a new name and will be traded under a new symbol.

Where appropriate, references in this proxy statement/prospectus to City National preferred stock and New RBC Preferred Shares shall also be considered to be references to the applicable depository shares representing a one-fortieth interest in such City National preferred stock or such New RBC Preferred Shares, respectively.

Q: When is the merger expected to be completed?

A: We expect the merger will be completed when all of the conditions to completion contained in the merger agreement are satisfied or waived, including the receipt of required regulatory approvals and the approval of the merger agreement proposal at the City National special meeting. We currently expect to complete the merger during the fourth calendar quarter of 2015. However, because fulfillment of some of the conditions to completion of the merger, such as the receipt of required regulatory approvals, are not entirely within our control, we cannot predict the actual timing or provide any assurances as to when or if the merger will occur. See the section entitled "The Merger Agreement - Conditions to the Merger" beginning on page 99.

Q: What happens if the merger is not completed?

A: If the merger is not completed, holders of City National common stock will not receive any consideration for their shares in connection with the merger and the City National preferred stock will not be converted into New RBC Preferred Shares. Instead, City National will remain an independent public company and its common stock and preferred stock will continue to be listed and traded on the New York Stock Exchange, referred to as the NYSE .

Q: When and where is the City National special meeting?

A: The City National special meeting will be held at City National Plaza, 555 South Flower Street, Thirteenth Floor, Los Angeles, California 90071, on May 27, 2015 at 4:00 p.m. local time.

Q: Who can vote at the City National special meeting?

A: Holders of City National common stock, including holders of City National restricted stock awards, as of the close of business on April 22, 2015, referred to as the "record date" , are entitled to vote at the City National special meeting. Beneficial owners of shares of City National common stock as of the record date should receive instructions from their bank, brokerage firm or other nominee describing how to vote their shares. Holders of City National preferred stock or the corresponding City National Depository Shares are not entitled to and are not being requested to vote at the City National special meeting.

Q: What is the quorum requirement for the City National special meeting?

A: The presence, in person or represented by proxy, of holders of a majority of the aggregate voting power of the issued and outstanding shares of City National common stock entitled to vote at the special meeting constitutes a quorum for the purposes of the special meeting. All shares of City National common stock that are present in person or represented by proxy, including abstentions and broker non-votes, will be treated as present for purposes of determining the presence or absence of a quorum for all matters voted on at the City National special meeting.

Q: What vote is required to approve each proposal at the City National special meeting?

A: Approval of the merger agreement proposal requires the affirmative vote of a majority of the outstanding shares of City National common stock entitled to vote thereon. Approval of the merger-related

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compensation proposal requires the affirmative vote of the holders of a majority of shares of City National common stock present in person at the City National special meeting or represented by proxy and entitled to vote thereon. Approval of the adjournment proposal requires the affirmative vote of the holders of a majority of shares of City National common stock present in person or represented by proxy and entitled to vote thereon, whether or not a quorum is present.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement/prospectus, please vote your shares of City National common stock as soon as possible so that your shares will be represented at the City National special meeting. Please follow the instructions set forth on the proxy card or on the voting instruction provided by the record holder if your shares are held in the name of your broker, bank or other nominee.

Q: How do I vote?

A: If you are a City National common stockholder of record as of the record date, you may submit your proxy before the City National special meeting in one of the following ways:

use the toll-free number shown on your proxy card;

visit the website shown on your proxy card to vote via the Internet; or

complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope.

You may also cast your vote in person at the City National special meeting.

If your shares of City National common stock are held in street name, through a bank, brokerage firm or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Street name stockholders who wish to vote at the meeting will need to obtain a proxy form from their bank, brokerage firm or other nominee.

If you are an employee participant that holds your shares of City National common stock through the Profit Sharing Plan, you will receive directions on how to submit your voting instructions from the trustee of such Profit Sharing Plan.

Q: What does it mean if I get more than one proxy card?

A: It means you have multiple accounts at the transfer agent and/or with brokers. Please sign and return all proxy cards or vote all your shares online or by telephone to ensure that all your shares are voted.

Q: If my shares of City National common stock are held in street name by my bank, broker or other nominee, will my bank, broker or other nominee vote my shares for me?

A: You should instruct your bank, brokerage firm or other nominee to vote your shares of City National common stock. If you do not instruct your bank, brokerage firm or other nominee, your bank, brokerage firm or other nominee will not be able to vote your shares. Please check with your bank, brokerage firm or other nominee and follow the voting procedures your bank, brokerage firm or other nominee provides.

Under the rules of the NYSE, banks, brokerage firms and other nominees who hold shares of City National common stock in street name for a beneficial owner of those shares typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, banks, brokerage firms and other nominees are not allowed to exercise their voting discretion with respect to the approval of matters that the NYSE determines to be non-routine, such as approval of the merger agreement proposal, without specific instructions from the beneficial owner. Broker non-votes are

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shares held by a bank, brokerage firm or other nominee that are represented at the City National special meeting, but with respect to which the bank, broker or other nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal and the bank, broker or other nominee does not have discretionary voting power on such proposal. It is expected that banks, brokerage firms or other nominees will not have discretionary authority to vote on any proposal and, as a result, City National anticipates that there will not be any broker non-votes cast in connection with any of the proposals.

Q: What happens if I submit my proxy or voting instruction card without indicating how to vote?

A: If you sign and return your proxy or voting instruction card without indicating how to vote on any particular proposal, the shares of City National common stock represented by your proxy will be voted as recommended by City National's board of directors with respect to that proposal. Unless you check the box on your proxy card to withhold discretionary authority, the proxy holders may use their discretion to vote on other matters relating to the City National special meeting.

Q: What happens if I abstain from voting or do not vote at all?

A: For purposes of the City National special meeting, an abstention occurs when a City National common stockholder attends the City National special meeting in person and does not vote or returns a proxy with an abstain vote. If you respond with an abstain vote on any of the proposals to be considered at the City National special meeting, your proxy will have the same effect as a vote cast **AGAINST** the merger agreement proposal, the merger-related compensation proposal and the adjournment proposal.

If you fail to vote or fail to instruct your bank, brokerage firm or other nominee how to vote on the proposals to be considered at the City National special meeting, it will have the same effect as a vote cast **AGAINST** the approval of the merger agreement proposal, and, assuming a quorum is present, will have no effect on the merger-related compensation proposal or the adjournment proposal.

Q: May I change my vote after I have submitted a proxy?

A: Yes. If you have not voted through your bank, brokerage firm or other nominee, there are four ways you can change your vote after you have submitted your proxy (whether by mail, telephone or the Internet):

by sending a notice of revocation to City National's Corporate Secretary at City National Plaza, 555 South Flower Street, Los Angeles, California 90071 stating that you would like to revoke your proxy;

by logging onto the Internet website specified on your proxy card in the same manner you would to submit your proxy electronically or by calling the telephone number specified on your proxy card, in each case if you are eligible to do so and following the instructions on the proxy card;

by sending a completed proxy card bearing a later date than your original proxy card; or

by attending the City National special meeting and voting in person.

If you choose either of the first two methods, you must take the described action no later than the beginning of the City National special meeting. If you choose to send a completed proxy card bearing a later date than your original proxy card, the new proxy card must be received before the beginning of the City National special meeting.

If you have instructed a bank, brokerage firm or other nominee to vote your shares of City National common stock, you must follow the directions you receive from your bank, brokerage firm or other nominee in order to change or revoke your vote.

If you are an employee participant that holds your shares of City National common stock through the Profit Sharing Plan, you must follow the directions you receive from the trustee of such Profit Sharing Plan in order to change or revoke your vote.

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Q: If I want to attend the City National special meeting, what do I do?

A: You should come to City National Plaza, 555 South Flower Street, Thirteenth Floor, Los Angeles, California 90071 at 3:45 p.m., local time, on May 27, 2015 to register for the meeting, which begins at 4:00 p.m. local time. If you hold your shares of City National common stock in street name, you will need to bring proof of ownership (by means of a recent brokerage statement or letter from your bank, brokerage firm or other nominee) to be admitted to the City National special meeting. Stockholders of record as of the record date can vote in person at the City National special meeting. If your shares of City National common stock are held in street name, then you are not the stockholder of record and you must ask your bank, brokerage firm or other nominee how you can vote at the City National special meeting.

Q: What are the material U.S. federal and Canadian income tax consequences of the merger to holders of City National stock?

A: The merger has been structured to qualify as a reorganization for United States federal income tax purposes, and it is a condition to our respective obligations to complete the merger that each of RBC and City National receive a legal opinion from Sullivan & Cromwell LLP and Wachtell, Lipton, Rosen & Katz, respectively, to the effect that (i) the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code and (ii) the merger will not result in gain recognition to the holders of City National common stock pursuant to Section 367(a) of the Code (assuming that, in the case of any such holder who would be treated as a five-percent transferee shareholder within the meaning of Treasury Regulations Section 1.367(a)-3(c)(5)(ii), such holder enters into a five-year gain recognition agreement in the form provided in Treasury Regulations Section 1.367(a)-8, as provided for in Treasury Regulations Section 1.367(a)-3(c)(1)(iii)(B), and complies with the requirements of that agreement and Treasury Regulations Section 1.367(a)-8 for avoiding the recognition of gain).

Assuming that the opinions as to (i) and (ii) above are correct, then, for U.S. holders of City National common stock:

U.S. holders of City National common stock receiving solely RBC common shares in exchange for City National common stock will not recognize any gain or loss upon the merger, except for any gain or loss that may result from the receipt by such holders of cash instead of fractional shares of RBC common shares.

U.S. holders of City National common stock receiving solely cash for City National common stock pursuant to the merger will recognize gain or loss equal to the difference between the amount of cash received by a holder of City National common stock and such holder's cost basis in such stock. A U.S. holder receiving solely RBC common shares (or receiving RBC common shares and cash solely in lieu of fractional shares) in exchange for City National common stock will not recognize any gain or loss upon the merger, except with respect to cash received in lieu of fractional shares of RBC common shares.

U.S. holders of City National common stock receiving RBC common shares and cash (other than solely in lieu of fractional shares) in exchange for shares of City National common stock pursuant to the merger, will recognize gain (but not loss) in an amount equal to the lesser of (1) the amount by

which the sum of the fair market value of the RBC common shares and cash received by a holder of City National common stock exceeds such holder's cost basis in its City National common stock, and (2) the amount of cash received by such holder of City National common stock (except with respect to any cash received instead of fractional share interests in RBC common shares).

A U.S. holder of City National common stock who receives cash in lieu of a fractional share of an RBC common share in the merger generally will be treated as having received such fractional share in the merger and then as having received cash in redemption of such fractional share. Gain or loss generally will be recognized based on the difference between the amount of cash received in lieu of the fractional share and the portion of the U.S. holder's aggregate tax basis in the City National common stock surrendered which is allocable to the fractional share.

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Assuming that the opinions as to (i) above are correct, then, for U.S. holders of City National preferred stock:

A U.S. holder whose shares of City National 6.750% Fixed Rate/Floating Rate Non-Cumulative Preferred Stock, Series D are exchanged for RBC Series C-2 Preferred Shares should not recognize any gain or loss upon the merger.

A U.S. holder whose shares of City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C are exchanged for RBC Series C-1 Preferred Shares should recognize gain or loss equal to the difference between the value of the RBC Series C-1 Preferred Shares received and the U.S. holder's tax basis in its shares of City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C. RBC intends to treat the exchange of City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C for RBC Series C-1 Preferred Shares as an exchange for which gain or loss must be recognized.

It is important to note that the U.S. federal income tax consequences described above may not apply to some holders of City National common stock or City National preferred stock, as applicable, including certain holders specifically referred to under "The Merger Material United States Federal Income Tax Consequences" beginning on page 70. Your tax consequences will depend on your individual situation. Accordingly, we strongly urge you to consult your tax advisor for a full understanding of the tax consequences of the merger in your particular circumstances, as well as any tax consequences that may arise from the laws of any other taxing jurisdiction.

Generally, a holder of City National stock who is not, and who is not deemed to be, resident in Canada for purposes of the Canadian Tax Act will not be subject to tax under the Canadian Tax Act in respect of any capital gain realized on the disposition of City National common stock or City National preferred stock pursuant to the merger. See "The Merger Material Canadian Federal Income Tax Consequences" beginning on page 77.

Q: Do I have appraisal rights in connection with the merger?

A: The holders of City National common stock are entitled to dissenters' rights of appraisal in connection with the merger under Section 262 of the General Corporation Law of the State of Delaware, which is sometimes referred to as "Delaware law", provided they satisfy the special criteria and conditions set forth in Section 262 of Delaware law. More information regarding these appraisal rights are described in this document, and the provisions of Delaware law that grant appraisal rights and govern such procedures are attached as Appendix E to this document. You should read these provisions carefully and in their entirety. A detailed description of the appraisal rights available to holders of City National common stock and procedures required to exercise statutory appraisal rights is included in the section entitled "The Merger Dissenters' Rights of Appraisal for Holders of City National Common Stock" beginning on page 82.

Under Delaware law the holders of City National preferred stock are not entitled to any dissenters' rights of appraisal in connection with the merger.

Q: Should I send in my stock certificates now?

A: No. City National stockholders **SHOULD NOT** send in any stock certificates now. If the merger is approved, an election form and transmittal materials, with instructions for their completion, will be provided to City National stockholders under separate cover and the stock certificates should be sent at that time.

Q: Who can help answer my additional questions about the City National special meeting or the merger?

A: If you have questions about the City National special meeting or the merger, you should contact Innisfree M&A Inc, City National's proxy solicitor, toll-free at (888) 750-5834 (banks and brokers call collect at (212) 750-5833).

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SUMMARY

*This summary highlights selected information from this proxy statement/prospectus and may not contain all the information that is important to you. You should carefully read this entire document, including the appendices and the other documents to which this document refers you, for a more complete understanding of the matters being considered at the City National special meeting. In addition, we incorporate by reference into this document important business and financial information about RBC and City National. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled *Where You Can Find More Information* beginning on page 132. Where applicable, each item in this summary includes a page reference directing you to a more complete description of that item.*

Information about the Companies (page 37)

Royal Bank of Canada

Executive Offices

200 Bay Street

Royal Bank Plaza

Toronto, Ontario, Canada M5J 2J5

Telephone: (416) 955-7806

Royal Bank of Canada and its subsidiaries operate under the master brand name of RBC. RBC is Canada's largest bank, and one of the largest banks in the world, based on market capitalization. RBC is one of North America's leading diversified financial services companies, and provides personal and commercial banking, wealth management, insurance, investor services and capital markets products and services on a global basis. RBC employs approximately 78,000 full- and part-time employees who serve more than 16 million personal, business, public sector and institutional clients through offices in Canada, the U.S. and 39 other countries. RBC operates through six reporting segments: Personal & Commercial Banking, Wealth Management, Insurance, Investor & Treasury Services, Capital Markets and Corporate Support.

RBC common shares trade under the symbol **RY** on the Toronto Stock Exchange, or TSX, and on the New York Stock Exchange, or NYSE.

Additional information about RBC can be found on its website at www.rbc.com. The information provided on RBC's website (or any other website referenced herein) is not part of this proxy statement/prospectus and is not incorporated herein by reference.

RBC USA Holdco Corporation

200 Vesey Street

New York, NY 10281

Telephone: (212) 858-7216

RBC USA Holdco Corporation (Holdco) is a Delaware corporation and a direct wholly-owned subsidiary of RBC. Holdco is RBC s top-level holding company in the United States and the direct or indirect owner of the majority of RBC s U.S. business operations, including RBC Capital Markets, LLC and RBC Global Asset Management (U.S.) Inc.

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City National Corporation

Executive Offices

City National Plaza

555 South Flower Street

Los Angeles, California 90071

Telephone: (213) 673-7700

City National Corporation (*City National*), a Delaware corporation organized in 1968, provides a wide range of banking, investment and trust services to its clients through its wholly-owned banking subsidiary, City National Bank, which has conducted business since 1954. City National provides comprehensive financial solutions and a premier banking and financial experience to affluent individuals, entrepreneurs, professionals, their businesses and their families. City National is headquartered in Los Angeles, California and operates through 75 offices, including 16 full-service regional centers in Southern California, the San Francisco Bay area, Nevada, New York City, Nashville, Tennessee and Atlanta, Georgia. City National employs approximately 3,600 full-time employees. At December 31, 2014, City National had consolidated total assets of \$32.61 billion, total loan balances of \$20.85 billion, total deposits of \$28.11 billion, and assets under management or administration of \$60.82 billion.

City National common stock trades under the symbol *CYN* on the NYSE.

Additional information about City National can be found on its website at www.cnb.com. The information provided on City National's website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

Risk Factors (page 22)

An investment in RBC common shares involves risks, some of which are related to the merger. In considering the merger, you should carefully consider the information about these risks set forth under *Risk Factors* beginning on page 22, together with the other information included or incorporated by reference or in this proxy statement/prospectus.

An investment in RBC preferred shares involves risks. You should carefully consider the information about these risks set forth under *Risk Factors* beginning on page 22 including as set forth under *Risk Factors* *Additional Risks Relating to New RBC Preferred Shares* beginning on page 28, together with the other information included or incorporated by reference or in this proxy statement/prospectus.

The Merger and the Merger Agreement (page 39)

The terms and conditions of the merger are contained in the merger agreement, which is attached to this document as Appendix A. We encourage you to read the merger agreement carefully, as it is the legal document that governs the merger. All descriptions in this summary and elsewhere in this proxy statement/prospectus of the terms and conditions of the merger are qualified by reference to the merger agreement.

Under the terms of the merger agreement, City National will merge with and into Holdco, a direct wholly-owned subsidiary of RBC, with Holdco surviving the merger.

Merger Consideration (page 39)

Each share of City National common stock that is converted into the right to receive cash consideration will receive an amount in cash equal to the Per Share Amount . The Per Share Amount will be calculated by

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dividing the Closing Transaction Value by the number of shares of City National common stock outstanding at completion of the merger. Subject to certain adjustments and limitations as set forth in the merger agreement, the Closing Transaction Value represents an aggregate value, calculated by adding (1) the aggregate cash included in the merger consideration (\$94.50 multiplied by 50% of the number of shares of City National common stock outstanding at completion of the merger (subject to certain adjustments)) and (2) the aggregate number of RBC common shares included in the merger consideration (41,358,212, as increased based on increases in City National shares permitted to be issued following execution of the merger agreement and decreased by shares of City National, if any, cancelled in connection with the merger) multiplied by the volume weighted average RBC common share price for the ten trading days preceding the day of completion of the merger (the VWAP) (calculated using both NYSE and TSX volumes and the Bank of Canada daily noon Canada/U.S. exchange rate on each applicable day).

Each share of City National common stock that is converted into the right to receive share consideration will receive a number of RBC common shares equal to the Per Share Amount divided by the VWAP.

Set forth below is a table showing a range of hypothetical VWAP amounts, and for each such VWAP (i) the corresponding amount of cash consideration that a City National common stockholder would receive per share of common stock converted into the right to receive the cash consideration and (ii) the corresponding amount of share consideration that a City National common stockholder would receive per City National share of common stock converted into the right to receive the share consideration. The table does not reflect the fact that cash will be paid instead of fractional shares or the effects of proration.

Hypothetical VWAP	Share of City National Common Stock Receiving Cash Consideration	Share of City National Common Stock Receiving Share Consideration	Value of Share Consideration (value based on VWAP)⁽²⁾
(US\$)	(cash in US\$)	(RBC common shares)	(US\$)
\$67.11	\$97.51	1.4530	\$97.51
\$66.11	\$96.76	1.4636	\$96.76
\$65.11	\$96.01	1.4746	\$96.01
\$64.11 ⁽¹⁾	\$95.26	1.4859	\$95.26
\$63.11	\$94.51	1.4976	\$94.51
\$62.11	\$93.76	1.5096	\$93.76
\$61.11	\$93.02	1.5221	\$93.02

(1) Reflects the VWAP assuming completion of the merger on April 20, 2015, which amount is calculated (in accordance with the merger agreement) based on the volume weighted average RBC common share price for the ten trading days prior to April 20, 2015, which is calculated using both NYSE and TSX volumes and the Bank of Canada daily noon Canada/U.S. exchange rate on each applicable day.

(2) The value of the share consideration received per share of City National common stock is based on the corresponding VWAP. The value of the share consideration at the time it is received will depend on the market price of RBC common shares at the time those RBC common shares are received (following completion of the merger), which market price will likely differ from the VWAP.

The examples above are illustrative only. The market prices of both RBC common shares and City National common stock will fluctuate before the completion of the merger, and the market price of RBC common shares may also

fluctuate between the completion of the merger and the time you receive any RBC common shares. Accordingly, the actual VWAP, amount of cash consideration per City National share of common stock exchangeable for cash consideration and amount of share consideration per City National share of common stock exchangeable for share consideration will fluctuate, and those amounts as of the completion of the merger will likely vary from the illustrative examples provided above. **You should obtain current stock price quotations for RBC common shares and City National common stock before you vote and before you make an election.**

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Elections by City National stockholders will be prorated and adjusted in accordance with the merger agreement, with the aggregate number of shares of City National common stock converted into the right to receive cash consideration and the aggregate number of shares of City National common stock converted into the right to receive share consideration determined in accordance with the formula and other provisions set forth in the merger agreement. The formula and other provisions set forth in the merger will be based on amounts that cannot be known until completion of the merger and will not take into account the elections made by City National stockholders. City National stockholders may specify different elections with respect to different shares of City National common stock that they hold (if, for example, you own 100 shares of City National common stock, you could make a cash election with respect to 50 shares and a stock election with respect to the other 50 shares).

Treatment of City National Preferred Stock (page 46)

Under the terms and subject to the conditions of the merger agreement, upon completion of the merger (i) each share of City National's 5.50% Non-Cumulative Perpetual Preferred Stock, Series C, par value \$1.00 per share, issued and outstanding immediately prior to completion of the merger will be cancelled and RBC will issue to the former holder one RBC 5.50% Non-Cumulative Perpetual Preferred Share, Series C-1 (the RBC Series C-1 Preferred Shares), and (ii) each share of City National's 6.750% Fixed Rate/Floating Rate Non-Cumulative Preferred Stock, Series D, par value \$1.00 per share, issued and outstanding immediately prior to completion of the merger will be cancelled and RBC will issue to the former holder one RBC 6.75% Fixed Rate/Floating Rate Non-Cumulative Preferred Share, Series C-2 (the RBC Series C-2 Preferred Shares). The terms of the RBC Series C-1 Preferred Shares and the RBC Series C-2 Preferred Shares, referred to as the New RBC Preferred Shares, will have powers, preferences and special rights that are substantially similar to and not materially less favorable to the holder than the powers, preferences and special rights set out in the certificate of designations of the corresponding series of City National preferred stock.

Each outstanding share of City National preferred stock is presently represented by depositary shares, referred to as City National Depositary Shares, that are listed on the NYSE and represent a one-fortieth interest in a share of the corresponding series of City National preferred stock. Upon completion of the merger, RBC will assume the obligations of City National under (i) the Deposit Agreement, dated November 13, 2012 (as it may be amended from time to time), among City National, Computershare Trust Company, N.A. as depositary, Computershare Inc. and the holders from time to time of the Depositary Receipts (relating to the City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C) and (ii) the Deposit Agreement, dated November 7, 2013 (as it may be amended from time to time), among City National, Computershare Trust Company, N.A. as depositary, Computershare Inc. and the holders from time to time of the Depositary Receipts (relating to the City National 6.750% Fixed Rate/Floating Rate Non-Cumulative Preferred Stock, Series D). RBC will instruct Computershare Trust Company, N.A., referred to as the Depositary, as the depositary of the deposit agreements, referred to as the Deposit Agreements, to treat New RBC Preferred Shares received by the Depositary upon the cancellation of the shares of City National preferred stock as newly deposited securities under the applicable Deposit Agreement. In accordance with the terms of the relevant Deposit Agreement, the City National Depositary Shares will thereafter represent a one-fortieth interest in the relevant series of New RBC Preferred Shares. Such depositary shares will continue to be listed on the NYSE upon completion of the merger under a new name and will be traded under a new symbol.

Where appropriate, references in this proxy statement/prospectus to City National preferred stock and New RBC Preferred Shares shall also be considered to be references to the applicable depositary shares representing a one-fortieth interest in such City National preferred stock or such New RBC Preferred Shares, respectively.

Existing holders of RBC preferred shares will continue to own their existing preferred shares, which will not be affected by the merger.

Table of Contents**City National's Board of Directors Unanimously Recommends that You Vote *FOR* the Merger Agreement Proposal, *FOR* the Merger-Related Compensation Proposal and *FOR* the Adjournment Proposal (page 50)**

City National's board of directors determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of City National and its stockholders, and has unanimously adopted and approved the merger agreement. For the factors considered by City National's board of directors in reaching its decision to adopt and approve the merger agreement, see the section entitled "The Merger City National's Reasons for the Merger; Board Recommendation of the City National Board of Directors" beginning on page 50. City National's board of directors unanimously recommends that City National common stockholders vote ***FOR*** the approval of the merger agreement proposal, ***FOR*** the merger-related compensation proposal and ***FOR*** the adjournment proposal.

Comparative Per Share Market Price and Dividend Information (page 17)

The following table presents the last reported closing sale price per share of RBC common shares on the TSX and the NYSE and of City National common stock on the NYSE on (a) January 21, 2015, the last full trading day prior to the public announcement by RBC and City National of the transaction and execution of the merger agreement, and (b) April 21, 2015, the last trading day for which this information could be calculated prior to the date of this proxy statement/prospectus. The table also sets forth the equivalent pro forma sale price of City National common stock on each of these dates, which assumes share consideration is received for a share of City National common stock. The equivalent pro forma sale price is determined based on (i) an assumed exchange ratio of 1.509 RBC common shares per share of City National common stock, which assumes that the merger was completed on January 22, 2015 and that the applicable VWAP was \$62.16 (which amount is the closing price of RBC common shares on the NYSE on January 21, 2015, the last trading day before announcement of the merger), and (ii) the value of 1.509 RBC common shares based on the closing price of RBC common shares on the NYSE on the applicable date listed in the table below.

	RBC common shares TSX (C\$)	RBC common shares NYSE (\$)	City National common stock NYSE (\$)	City National common stock Equivalent Pro Forma (\$)
January 21, 2015	76.61	62.16	74.57	93.80
April 21, 2015	80.30	65.35	93.13	98.61

Opinions of City National's Financial Advisors (page 52)

In connection with the merger, each of Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofA Merrill Lynch") and Sandler O'Neill & Partners, L.P. ("Sandler O'Neill"), City National's financial advisors (collectively, the "financial advisors"), delivered to City National's board of directors a separate written opinion, dated January 21, 2015, as to the fairness, from a financial point of view and as of the date of such opinion, of the merger consideration to be received by holders of City National common stock. The full text of the written opinions of BofA Merrill Lynch and Sandler O'Neill, which describe, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, are attached as Appendix C and Appendix D, respectively, to this document and are incorporated by reference herein in their entirety. **Each of BofA Merrill Lynch and Sandler O'Neill provided its respective opinion to City National's board of directors (in its capacity as such) for the benefit and use of City National's board of directors in connection with and for purposes of its evaluation of the merger consideration**

from a financial point of view. Neither the BofA Merrill Lynch opinion nor the Sandler O Neill opinion addresses any other aspect of the merger and no opinion or view was expressed as to the relative merits of the merger in comparison to other strategies or transactions that might be available to City National or in which City National might engage or as to the underlying business decision of City National to proceed with or effect the merger. Neither the

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BofA Merrill Lynch opinion nor the Sandler O'Neill opinion addresses any other aspect of the merger and neither opinion constitutes a recommendation to any stockholder as to how to vote or act in connection with the proposed merger or any related matter.

The City National Special Meeting (page 30)

The City National special meeting will be held at 4:00 p.m. local time, on May 27, 2015, at City National Plaza, 555 South Flower Street, Thirteenth Floor, Los Angeles, California 90071. At the City National special meeting, City National stockholders will be asked to approve the merger agreement proposal, the merger-related compensation proposal and the adjournment proposal.

City National's board of directors has set the close of business on April 22, 2015 as the record date for determining the holders of City National common stock entitled to receive notice of and to vote at the City National special meeting. You are entitled to receive notice of, and to vote at, the special meeting if you owned shares of City National common stock, including shares in respect of City National restricted stock awards, as of the close of business on the record date. You will have one vote on all matters properly coming before the special meeting for each share of City National common stock that you owned as of the close of business on the record date.

The approval of the merger agreement proposal requires the affirmative vote of a majority of the outstanding shares of City National common stock entitled to vote thereon. **Failures to vote, abstentions and broker non-votes will have the same effect as votes AGAINST the approval of the merger agreement.**

As of the most recent practicable date, April 17, 2015, there were 55,605,013 shares of City National common stock outstanding and entitled to vote, held by 1,511 holders of record. As of April 13, 2015, the directors and executive officers of City National and their affiliates beneficially owned and were entitled to vote approximately 7,485,779 shares of City National common stock representing approximately 13.5% of the shares of City National common stock outstanding on that date. In connection with the merger agreement and the merger, Russell Goldsmith, Bram Goldsmith and certain trusts and other entities owned or otherwise controlled by Russell Goldsmith and Bram Goldsmith, referred to as the Goldsmith Parties, have agreed to vote approximately 7,125,310 shares FOR the merger agreement proposal. As of the most recent practicable date, April 17, 2015, RBC did not beneficially own any shares of City National's common stock.

Holders of City National preferred stock are not entitled to and are not being requested to vote at the City National special meeting.

No RBC Shareholder Approval

RBC shareholders are not required to approve the merger agreement or the issuance of RBC common shares or New RBC Preferred Shares in connection with the merger.

Material United States Federal Income Tax Consequences (page 70)

The merger has been structured to qualify as a reorganization for United States federal income tax purposes, and it is a condition to our respective obligations to complete the merger that each of RBC and City National receive a legal opinion from Sullivan & Cromwell LLP and Wachtell, Lipton, Rosen & Katz, respectively, to the effect that (i) the merger, will qualify as a reorganization within the meaning of Section 368(a) of the Code and (ii) the merger will not result in gain recognition to the holders of City National common stock pursuant to Section 367(a) of the Code (assuming that, in the case of any such holder who would be treated as a five-percent transferee shareholder within the

meaning of Treasury Regulations Section 1.367(a)-3(c)(5)(ii), such holder enters into a

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five-year gain recognition agreement in the form provided in Treasury Regulations Section 1.367(a)-8, as provided for in Treasury Regulations Section 1.367(a)-3(c)(1)(iii)(B), and complies with the requirements of that agreement and Treasury Regulations Section 1.367(a)-8 for avoiding the recognition of gain).

Assuming that the opinions as to (i) and (ii) above are correct, then, for U.S. holders of City National common stock:

U.S. holders of City National common stock receiving solely cash for City National common stock pursuant to the merger will recognize gain or loss equal to the difference between the amount of cash received by a holder of City National common stock and such holder's tax basis in such stock.

A U.S. holder receiving solely RBC common shares (or receiving RBC common shares and cash solely in lieu of fractional shares) in exchange for City National common stock will not recognize any gain or loss upon the merger, except with respect to cash received in lieu of fractional shares of RBC common shares.

U.S. holders of City National common stock receiving RBC common shares and cash (other than solely in lieu of fractional shares) in exchange for shares of City National common stock pursuant to the merger, will recognize gain (but not loss) in an amount equal to the lesser of (1) the amount by which the sum of the fair market value of the RBC common shares and cash received by a holder of City National common stock exceeds such holder's tax basis in its City National common stock, and (2) the amount of cash received by such holder of City National common stock (except with respect to any cash received instead of fractional share interests in RBC common shares).

A U.S. holder of City National common stock who receives cash in lieu of a fractional share of RBC common shares in the merger generally will be treated as having received such fractional share in the merger and then as having received cash in redemption of such fractional share. Gain or loss generally will be recognized based on the difference between the amount of cash received in lieu of the fractional share and the portion of the U.S. holder's aggregate tax basis in the City National common stock surrendered which is allocable to the fractional share.

Assuming that the opinions as to (i) above are correct, then, for U.S. holders of City National preferred stock:

A U.S. holder whose shares of City National 6.750% Fixed Rate/Floating Rate Non-Cumulative Preferred Stock, Series D are exchanged for RBC Series C-2 Preferred Shares should not recognize any gain or loss upon the merger.

A U.S. holder whose shares of City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C are exchanged for RBC Series C-1 Preferred Shares should recognize gain or loss equal to the difference between the value of the RBC Series C-1 Preferred Shares received and the U.S. holder's tax basis in its shares of City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C. RBC intends to treat the exchange of City National 5.50% Non-Cumulative Perpetual Preferred Stock,

Series C for RBC Series C-1 Preferred Shares as an exchange for which gain or loss must be recognized.

It is important to note that the U.S. federal income tax consequences described above may not apply to some holders of City National common stock or City National preferred stock, as applicable, including certain holders specifically referred to under *The Merger Material United States Federal Income Tax Consequences* beginning on page 70. Your tax consequences will depend on your individual situation. Accordingly, we strongly urge you to consult your tax advisor for a full understanding of the tax consequences of the merger in your particular circumstances, as well as any tax consequences that may arise from the laws of any other taxing jurisdiction.

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Material Canadian Federal Income Tax Consequences (page 77)

Generally, a holder of City National stock who is not, and who is not deemed to be, resident in Canada for purposes of the Canadian Tax Act will not be subject to tax under the Canadian Tax Act in respect of any capital gain realized on the disposition of City National common stock or City National preferred stock pursuant to the merger. See The Merger Material Canadian Federal Income Tax Consequences beginning on page 77.

Accounting Treatment (page 80)

The merger will be accounted for as a business combination applying the acquisition method of accounting for both International Financial Reporting Standards, or IFRS, and U.S. financial accounting purposes.

Treatment of City National Options and Other Equity Based Awards (page 88)

Stock Options. At the effective time of the merger, each City National stock option, whether vested or unvested, that is outstanding and unexercised immediately prior to the effective time of the merger shall (i) if granted prior to the date of the merger agreement, become vested in full and (ii) whether granted prior to or after the date of the merger agreement, be converted automatically into an option to purchase RBC common shares on the terms specified in the merger agreement.

Restricted Stock. At the effective time of the merger, each award of restricted shares of City National common stock that is outstanding immediately prior to the effective time of the merger shall (i) if granted prior to the date of the merger agreement, fully vest and shall be cancelled and converted automatically, in accordance with the procedures set forth in the merger agreement, into the right to receive merger consideration or (ii) if granted after the date of the merger agreement, be converted into a restricted stock award of RBC common shares on the terms specified in the merger agreement.

Restricted Stock Units. At the effective time of the merger, each City National restricted stock unit award that is outstanding immediately prior to the effective time of the merger shall (i) if granted prior to the date of the merger agreement (other than certain vested awards that provide for payment upon separation from service), vest and shall be cancelled and converted automatically into the right to receive (as provided in the merger agreement) either cash consideration or share consideration, plus an amount in cash equal to all accrued but unpaid dividend equivalents with respect to such City National restricted stock unit award, or (ii) if granted after the date of the merger agreement (or if granted prior to the date of the merger agreement on terms that provide for payment solely on a separation from service), be converted into a restricted stock unit award relating to RBC common shares on the terms specified in the merger agreement.

Deferred Units. At the effective time of the merger, each stock unit credited to an account that is deemed invested in City National common stock as of immediately prior to the effective time under certain deferred compensation plans and in connection with a retirement benefit plan applicable to Russell Goldsmith shall be deemed to be invested in RBC common shares (on the terms specified in the merger agreement).

Regulatory Approvals Required for the Completion of the Merger (page 80)

Completion of the merger is subject to the receipt of all regulatory approvals from the Board of Governors of the U.S. Federal Reserve System, referred to as the Federal Reserve Board, and the Superintendent of Financial Institutions (Canada), the receipt of all other required approvals or consents the failure of which to obtain would reasonably be expected to have a material adverse effect on RBC or City National, and the expiration of any applicable statutory waiting period, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, referred to as the HSR Act. RBC and City National have made or will in the near future make filings for such approvals.

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Federal Reserve Board. RBC is required to obtain the approval of the Federal Reserve Board under the Bank Holding Company Act for the acquisition of control of City National as a result of the merger. The U.S. Department of Justice, referred to as the DOJ, will have an opportunity to comment during this approval process and is expected to have at least 15 days (but no more than 30 days) following the approval of the Federal Reserve Board to challenge the approval on antitrust grounds.

Bank Act. Under the Bank Act, the approval of the Superintendent of Financial Institutions (Canada) is required in order for RBC to complete the acquisition.

Other Regulatory Approvals. Filings will also be made with the Financial Industry Regulatory Authority, referred to as FINRA, and the Securities and Exchange Commission, referred to as the SEC, in connection with the merger. Each of RBC and City National will also file with the DOJ and the U.S. Federal Trade Commission, referred to as the FTC, the Notification and Report Form and any other supplemental information required in connection with the termination or expiration of applicable waiting periods under the HSR Act. In addition, RBC will make filings with the Delaware Secretary pursuant to Delaware law.

RBC and City National believe that they will be able to obtain all required regulatory approvals on a timely basis. However, there can be no assurances as to whether or when the required regulatory approvals will be obtained, or whether any such approval will contain a material adverse condition.

Holders of City National Common Stock are Entitled to Dissenters' Rights of Appraisal (page 82)

Section 262 of Delaware law provides holders of City National common stock with the ability to dissent from the merger and seek appraisal of their shares. A holder of City National common stock who properly seeks appraisal and complies with the applicable requirements under Delaware law, referred to as a dissenting stockholder, will forego the merger consideration and instead receive a cash payment equal to the fair value of his, her or its shares of City National common stock in connection with the merger. Fair value will be determined by a court following an appraisal proceeding. Dissenting stockholders will not know the appraised fair value at the time such holders must elect whether to seek appraisal. The ultimate amount dissenting stockholders receive in an appraisal proceeding may be more or less than, or the same as, the amount such holders would have received under the merger agreement. A detailed description of the appraisal rights available to holders of City National common stock and procedures required to exercise statutory appraisal rights is included in the section entitled "The Merger: Dissenters' Rights of Appraisal for Holders of City National Common Stock" beginning on page 82.

To seek appraisal, a City National common stockholder must deliver a written demand for appraisal to City National before the vote on the merger agreement at the City National special meeting, and the City National common stockholder must not vote in favor of the merger agreement proposal. Failure to follow exactly the procedures specified under Delaware law will result in the loss of appraisal rights.

Holders of City National Preferred Stock are Not Entitled to Dissenters' Rights of Appraisal (page 86)

Appraisal rights are not available in all circumstances, and exceptions to these rights are provided under Delaware law. As a result of one of these exceptions, the holders of City National preferred stock are not entitled to appraisal rights in the merger.

Your Rights as a Holder of City National Common Stock Will Be Different from Your Rights as a Holder of RBC Common Shares (page 115)

The conversion of your shares of City National common stock into RBC common shares in the merger will result in changes from your current rights as a holder of City National common stock, which generally are

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governed by Delaware law and by City National's organizational documents. These rights differ from the rights you will have as a holder of RBC common shares, which generally will be governed by the Bank Act and RBC's organizational documents.

City National's Directors and Executive Officers Have Certain Interests in the Merger (page 62)

The non-employee directors and executive officers of City National have certain interests in the merger that are different from, or in addition to, the interests of City National stockholders generally. These interests include, among others, potential severance benefits and other payments, the treatment of outstanding equity awards pursuant to the merger agreement, and rights to ongoing indemnification and insurance coverage. City National's board of directors was aware of these interests and considered them, among other matters, in reaching its decisions to (i) approve the merger agreement and the transactions contemplated thereby and (ii) recommend that the stockholders of City National approve the merger agreement proposal. See the section entitled "The Merger Interests of City National's Directors and Executive Officers in the Merger" beginning on page 62 of this proxy statement/prospectus for a more detailed description of these interests.

Conditions That Must Be Satisfied or Waived for the Merger to Occur (page 99)

The respective obligations of each of RBC and City National to complete the merger are conditioned upon the satisfaction, or waiver by both RBC and City National, of the following conditions:

approval of the merger agreement proposal by the City National common stockholders;

approval for the listing on the TSX and NYSE of the RBC common shares to be issued in the merger, and approval for the listing on the NYSE of the New RBC Preferred Shares (which New RBC Preferred Shares will be represented by depositary shares listed on the NYSE as discussed in this proxy statement/prospectus);

the effectiveness of the registration statement on Form F-4 of which this proxy statement/prospectus is a part and the absence of a stop order or proceedings initiated or threatened by the SEC for the purpose of suspending the effectiveness of the Form F-4; and

receipt of required regulatory approvals and the absence of any injunction or other legal prohibition or restraint against the merger.

The obligation of RBC to complete the merger is subject to the satisfaction, or waiver by RBC, of the following conditions:

the accuracy of the representations and warranties of City National as of the date of signing the merger agreement and as of the closing date of the merger, subject to applicable materiality qualifiers;

performance in all material respects by City National of the obligations required to be performed by it at or prior to the closing date of the merger; and

receipt by RBC of an opinion of Sullivan & Cromwell LLP as to certain tax matters.

The obligation of City National to complete the merger is also subject to the satisfaction, or waiver by City National, of the following conditions:

the accuracy of the representations and warranties of RBC as of the date of signing the merger agreement and as of the closing date of the merger, subject to applicable materiality qualifiers;

performance in all material respects by RBC of the obligations required to be performed by it at or prior to the closing date of the merger; and

receipt by City National of an opinion of Wachtell, Lipton, Rosen & Katz as to certain tax matters.

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The Merger Agreement May be Terminated Under Certain Circumstances (page 100)

The merger agreement may be terminated at any time before the completion of the merger, whether before or after approval of the merger agreement proposal by City National's common stockholders, in any of the following circumstances:

by mutual consent of City National and RBC;

by either City National or RBC, if any of the required regulatory approvals are denied or completion of the merger has been prohibited or made illegal by a governmental entity (and the denial or prohibition is final and nonappealable);

by either City National or RBC, if the merger has not been consummated by January 22, 2016, unless the failure to complete the merger by that date is due to the terminating party's failure to abide by the merger agreement;

by either City National or RBC, if there is a breach by the other party that would result in the failure of the conditions of the terminating party's obligation to complete the merger, unless the breach is capable of being, and is, cured within 60 days of written notice of the breach (provided that the terminating party is not then in material breach of the merger agreement);

by RBC, if City National or City National's board of directors (1) submits the merger agreement to its stockholders without a recommendation for approval, or otherwise withdraws or materially and adversely modifies its recommendation for approval (or discloses such intention), or recommends to its stockholders certain business combination proposals other than the merger agreement, or (2) materially breaches its obligations to call a stockholder meeting or prepare and mail the proxy statement/prospectus to its stockholders pursuant to the merger agreement or its obligations regarding the facilitation of certain types of business combinations other than as contemplated by the merger agreement;

by RBC if a tender offer or exchange offer for 20% or more of the outstanding shares of City National common stock is commenced (other than by RBC or its subsidiaries), and the City National board of directors recommends that the stockholders of City National tender their shares in such tender or exchange offer or otherwise fails to recommend that such stockholders reject such tender offer or exchange offer within the 10 business day period specified in Rule 14e-2(a) under the Securities Exchange Act of 1934, as amended.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF RBC**

Set forth below is selected historical financial information of RBC prepared in accordance with International Financial Reporting Standards, referred to as "IFRS", for the fiscal years ended October 31, 2011, 2012, 2013 and 2014, and in accordance with generally accepted accounting principles in Canada, referred to as "Canadian GAAP", for the fiscal year ended October 31, 2010, except as otherwise indicated. The information as at and for each of the years in the five-year period ended October 31, 2014 has been derived from the audited consolidated financial statements of RBC and the notes thereto as filed with the SEC. Also set forth below is selected historical financial information of RBC as at or for the three months ended January 31, 2014 and January 31, 2015, certain of which has been derived from the unaudited interim condensed consolidated financial statements of RBC and the notes thereto as furnished to the SEC. The results of operations for the three months ended January 31, 2015 are not necessarily indicative of the results of operations for the full year or any other interim period.

You should read this information in conjunction with (i) RBC's audited consolidated financial statements and related notes included in RBC's Annual Report on Form 40-F for the fiscal year ended October 31, 2014 and (ii) RBC's unaudited interim condensed consolidated financial statements and related notes included in exhibits to RBC's Form 6-K furnished to the SEC for the fiscal quarter ended January 31, 2015, each of which is incorporated by reference into this proxy statement/prospectus. See the section entitled "Where You Can Find More Information".

	As at or for the Quarter Ended January 31,		As at or for the Year Ended October 31,				
	2015 (IFRS)	2014 (IFRS)	2014 (IFRS)	2013 (IFRS)	2012 (IFRS)	2011 (IFRS)	2010 (Canadian GAAP)
SUMMARY CONSOLIDATED INCOME STATEMENT DATA							
Net interest income	3,631	3,460	14,116	13,249	12,439	11,357	10,338
Non-interest income	6,013	5,000	19,992	17,433	16,708	16,281	15,744
Total revenue	9,644	8,460	34,108	30,682	29,147	27,638	26,082
Provision for credit losses	270	292	1,164	1,237	1,299	1,133	1,240
Insurance policyholder benefits, claims and acquisition expense	1,522	982	3,573	2,784	3,621	3,358	3,546
Non-interest expense	4,620	4,387	17,661	16,214	14,641	14,167	13,469
Non-controlling interest	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	99
Net income from continuing operations	2,456	2,092	9,004	8,342	7,558	6,970	5,732
Net loss from discontinued operations	0	0	0	0	(51)	(526)	(509)
Net income	2,456	2,092	9,004	8,342	7,507	6,444	5,223
SELECTED INFORMATION							
Diluted earnings per share	1.65	1.38	6.00	5.49	4.91	4.19	3.46
Return on common equity ⁽¹⁾	19.3%	18.1%	19.0%	19.7%	19.6%	18.7%	14.9%
Return on risk weighted assets ⁽²⁾	2.40%	2.43%	2.52%	2.67%	2.70%	2.44%	2.03%

**SELECTED INFORMATION
FROM CONTINUING
OPERATIONS**

Diluted earnings per share	1.65	1.38	6.00	5.49	4.94	4.55	3.82
Return on common equity ⁽¹⁾	19.3%	18.1%	19.0%	19.7%	19.7%	20.3%	16.5%
Net interest margin (total average assets)	1.39%	1.56%	1.56%	1.56%	1.55%	1.52%	1.59%
CAPITAL RATIOS⁽³⁾							
Common Equity Tier 1 capital ratio	9.6%	9.7%	9.9%	9.6%	n.a.	n.a.	n.a.
Tier 1 capital ratio ⁽⁴⁾	11.0%	11.5%	11.4%	11.7%	13.1%	13.3%	13.0%
Total capital ratio ⁽⁴⁾	13.0%	13.5%	13.4%	14.0%	15.1%	15.3%	14.4%

(1) These measures may not have a standardized meaning under generally accepted accounting principles (GAAP) and may not be comparable to similar measures disclosed by other financial institutions. For further details refer to the Key performance and non-GAAP measures section of RBC's 2014 Annual Report on Form 40-F.

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- (2) Return on risk weighted assets (RWA) for 2011 is based on RWA reported under Canadian GAAP and income reported under IFRS.
- (3) Effective the first quarter of 2013, RBC calculates capital ratios using the Basel III framework. Capital ratios presented above are on an all-in basis. Capital ratios prior to 2013 were calculated using the Basel II framework. Basel III and Basel II are not directly comparable. The Common Equity Tier 1 ratio is a regulatory measure under the Basel III framework and is not applicable (n.a.) for years prior to 2013.
- (4) Tier 1 capital ratio and Total capital ratio for 2011 were determined under Canadian GAAP.

	As at or for the Quarter Ended January 31,		As at or for the Year Ended October 31,				2010
	2015 (IFRS)	2014 (IFRS)	2014 (IFRS)	2013 (IFRS)	2012 (IFRS)	2011 (IFRS)	(Canadian GAAP)
SELECTED BALANCE SHEET DATA AND OTHER INFORMATION							
Total assets	1,086,695	904,717	940,550	859,745	823,954	793,833	726,206
Securities	230,723	189,494	199,148	182,710	161,602	167,022	183,519
Loans, net of allowance	448,210	415,628	435,229	408,850	378,241	347,530	273,006
Deposits	654,707	594,444	614,100	563,079	512,244	479,102	414,561
Shareholder's equity	55,665	50,236	52,690	47,665	43,160	39,702	38,951
Average common equity	49,250	44,050	45,700	40,600	36,500	32,600	33,250
Risk-weighted assets (RWA)	407,934	341,752	372,050	318,981	280,609	267,780	260,456
Assets under management (AUM)	485,700	415,700	457,000	391,100	343,000	308,700	364,700
Assets under administration (AUA) ⁽⁵⁾	4,729,300	4,311,900	4,647,000	4,050,900	3,653,300	3,446,400	3,463,300
COMMON SHARE INFORMATION							
Shares outstanding (000s)							
average basic	1,442,591	1,442,434	1,442,553	1,443,735	1,442,167	1,430,722	1,420,719
average diluted	1,449,419	1,458,742	1,452,003	1,466,529	1,468,287	1,471,493	1,433,754
end of period	1,442,592	1,442,195	1,442,233	1,441,056	1,445,303	1,438,376	1,424,922
Dividends declared per share (C\$)	0.75	0.67	2.84	2.53	2.28	2.08	2.00
	0.60	0.60	2.58	2.47	2.29	2.13	1.94

Dividends declared per share (US\$) ⁽⁶⁾							
Dividend yield (TSX)	3.9%	3.8%	3.8%	4.0%	4.5%	3.9%	3.6%
Dividend yield (NYSE)	3.7%	3.7%	3.8%	4.0%	4.5%	4.0%	3.6%
Common share price (RY on TSX) close, end of period (C\$)	71.74	68.93	80.01	70.02	56.94	48.62	54.39
Common share price (RY on NYSE) close, end of period (US\$)	56.59	61.88	71.17	67.18	57.03	48.92	53.38
Market capitalization (TSX) (C\$)	103,492	99,411	115,393	100,903	82,296	69,934	77,502
Market capitalization (NYSE) (US\$)	81,636	89,243	102,644	96,810	82,426	70,365	76,062
BUSINESS INFORMATION FOR CONTINUING OPERATIONS (number of)							
Employees (full time equivalent)	73,332	74,117	73,498	74,247	74,377	68,480	67,147
Bank branches	1,365	1,376	1,366	1,372	1,361	1,338	1,336
Automated banking machines	4,913	4,979	4,929	4,973	5,065	4,626	4,557

(5) Represents total AUA of RBC which includes AUA of RBC Investor Services, formerly RBC Dexia, of which RBC had a 50% ownership interest prior to July 27, 2012.

(6) Dividends per share have been translated into U.S. dollars based on the Bank of Canada exchange rate on each dividend record date.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF CITY NATIONAL**

The following table summarizes selected historical consolidated financial data of City National prepared in accordance with U.S. generally accepted accounting principles, referred to as "U.S. GAAP", for the periods and as of the dates indicated. This information has been derived from City National's consolidated financial statements filed with the SEC.

You should read this information in conjunction with City National's consolidated financial statements and related notes thereto included in City National's Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference into this proxy statement/prospectus. See the section entitled "Where You Can Find More Information".

City National Corporation Historical Financial Information

(U.S. dollars in millions, except per share data)

	As of / For the Year Ended December 31,				
	2014	2013	2012	2011	2010
Summary of Operations:					
Interest income	\$ 907	\$ 880	\$ 887	\$ 843	\$ 830
Interest expense	49	56	56	70	100
Net interest income	\$ 858	\$ 824	\$ 831	\$ 773	\$ 730
(Reversal of) provision for credit losses on loans and leases, excluding covered loans	(14)		10	12	103
Provision for losses on covered loans	4	1	45	44	76
Noninterest income	412	355	357	342	361
Noninterest expense	902	851	825	805	751
Income before taxes	\$ 378	\$ 327	\$ 308	\$ 254	\$ 161
Income taxes	119	94	99	78	26
Net income	\$ 259	\$ 233	\$ 209	\$ 176	\$ 135
Net income attributable to noncontrolling interest	3	3	1	4	4
Dividends and accretion on preferred stock	17	10			6
Net income available to common shareholders	\$ 239	\$ 220	\$ 208	\$ 172	\$ 125
Earnings Per Common Share:					
Basic	4.31	4.02	3.85	3.24	2.38
Diluted	4.26	3.99	3.83	3.21	2.36
Dividends declared	1.32	0.75	1.50	0.80	0.40
Period-End Balances:					
Total assets	32,610	29,718	28,618	23,666	21,353
Loans and leases, excluding covered loans	20,337	17,170	14,818	12,309	11,387
Covered loans	511	717	1,031	1,482	1,858

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Deposits	28,108	25,679	23,502	20,388	18,177
Long-term debt	639	736	706	698	705
Shareholders equity	2,956	2,741	2,505	2,145	1,960

Table of Contents**UNAUDITED COMPARATIVE PER COMMON SHARE DATA**

The following tables present, as at the dates and for the periods indicated, selected historical unaudited and pro forma unaudited consolidated per share financial information for RBC common shares and City National common stock. You should read this information in conjunction with, and the information is qualified in its entirety by, the consolidated financial statements and accompanying notes of RBC and City National incorporated into this proxy statement/prospectus by reference. See [Where You Can Find More Information](#) .

The following pro forma information has been prepared in accordance with the rules and regulations of the SEC and accordingly includes the effects of purchase accounting. It does not reflect cost savings, synergies or certain other adjustments that may result from the merger. This information is presented for illustrative purposes only. You should not rely on the pro forma combined or equivalent pro forma amounts as they are not necessarily indicative of the operating results or financial position that would have occurred if the merger had been completed as of the dates indicated, nor are they necessarily indicative of the future operating results or financial position of the combined company. The pro forma information, although helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the benefits of expected cost savings, opportunities to earn additional revenue, the impact of restructuring and merger-related costs, or other factors that may result as a consequence of the merger and, accordingly, does not attempt to predict or suggest future results.

The following tables assume the issuance of 41,358,212 RBC common shares in connection with the merger, which is the number of shares issuable by RBC in connection with the merger assuming the merger closed on January 22, 2015 and based on the number of outstanding shares of City National common stock at that time. As discussed in this proxy statement/prospectus, the actual number of RBC common shares issuable in the merger will be adjusted based on the number of shares of City National common stock outstanding at the completion of the merger. The pro forma data in the tables assume that the merger occurred on November 1, 2013 for income statement purposes and on October 31, 2014 for balance sheet purposes, and that the merger is accounted for as a business combination.

	As for the Quarter Ended		As for the Year Ended	
	January 31, 2015 (C\$)	October 31, 2014 (US\$)	October 31, 2014 (C\$)	October 31, 2014 (US\$)
RBC COMMON SHARES				
Basic earnings per common share⁽¹⁾				
Historical (IFRS)	1.66	1.39	6.03	5.51
Pro forma combined (IFRS)	1.63	1.37	5.93	5.42
Diluted earnings per common share⁽¹⁾				
Historical (IFRS)	1.65	1.38	6.00	5.49
Pro forma combined (IFRS) ⁽²⁾	1.63	1.37	5.90	5.40
Dividends per common share⁽³⁾				
Historical	0.75	0.60	2.84	2.58
Pro forma combined	0.75	0.60	2.84	2.58
Book value per common share at period end⁽⁴⁾				
Historical (IFRS)	35.59	27.99	33.69	29.88
Pro forma combined (IFRS)	36.86	28.98	35.00	31.04

- (1) Earnings per share have been translated into U.S. dollars based on the average of the Bank of Canada noon exchange rates on the last day of each month during the year.
- (2) The pro forma combined diluted earnings per share for the year ended October 31, 2014 assumes the issuance of 1,806,783 additional RBC common shares. The pro forma combined diluted earnings per share

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for the quarter ended January 31, 2015 assumes the issuance of 1,652,655 additional RBC common shares. These adjustments relate to City National's stock options and other equity-based awards outstanding at the time of the merger. The adjustments assume the merger closed on January 22, 2015, and are based on the average amount of such stock options and equity-based awards over the relevant periods.

- (3) Dividends per share have been translated into U.S. dollars based on the Bank of Canada exchange rate on each dividend record date. Pro forma combined dividends per common share are based solely on dividends of RBC.
- (4) Book value per common share has been translated into U.S. dollars based on the Bank of Canada noon exchange rate at the end of the period.

With respect to the table above, the RBC pro forma combined amounts were calculated by combining (i) the RBC historical amounts as at and for the year ended October 31, 2014 and the quarter ended January 31, 2015 (prepared in accordance with IFRS) with (ii) the City National historical amounts (originally prepared in accordance with U.S. GAAP), adjusted for significant differences between U.S. GAAP and IFRS, as at and for the year ended December 31, 2014 and the quarter ended December 31, 2014, respectively. For purposes of calculating the pro forma combined amounts, the City National historical amounts have been further adjusted (on an IFRS basis) for estimated purchase accounting adjustments to be recorded in connection with the acquisition (consisting of fair value adjustments for assets acquired and liabilities assumed and adjustments for other intangible assets established, and the resulting amortization of these adjustments over appropriate periods) and other adjustments that are directly attributable to the transaction and expected to have a continuing impact on RBC's pro forma combined financial results.

The equivalent pro forma per share information for City National in the following table was obtained by multiplying the above per share pro forma amounts for RBC by 1.509, which is the number of RBC common shares that City National stockholders who receive share consideration in the merger would receive for each share of City National common stock, assuming no proration and assuming that the merger was completed on January 22, 2015 and that the VWAP was \$62.16 (which amount was the closing price of RBC common shares on the NYSE on January 21, 2015, the last trading day before announcement of the merger). The number of RBC common shares that City National stockholders who receive share consideration in the merger will receive may differ depending on the proration and other adjustment procedures in the merger agreement, and the actual VWAP calculated at the completion of the merger. Because RBC and City National have different fiscal years, the equivalent pro forma data for the year ended December 31, 2014 has been compared with RBC's fiscal year ended October 31, 2014. The City National historical data in the following table is presented in U.S. GAAP.

	Year Ended December 31, 2014 (US\$)	
CITY NATIONAL CORPORATION COMMON STOCK		
Basic earnings per common share:		
Historical	\$	4.31
Equivalent Pro forma	\$	8.18
Diluted earnings per common share:		
Historical	\$	4.26
Equivalent Pro forma	\$	8.15
Dividends per common share:		
Historical	\$	1.32

Equivalent Pro forma	\$	3.89
Book value per common share at period end:		
Historical	\$	49.07
Equivalent Pro forma	\$	46.84

Table of Contents**COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION**

RBC common shares are listed on the TSX and the NYSE under the trading symbol RY . Shares of City National common stock are currently listed on the NYSE under the trading symbol CYN .

The table below sets forth, for the periods indicated, the per share high and low closing sales prices for RBC common shares and City National common stock as reported on the NYSE and, with respect to RBC common shares, the TSX. TSX closing prices of RBC common shares are presented in Canadian dollars, and the NYSE closing prices of RBC common shares and City National common stock are presented in U.S. dollars. For comparison purposes, the following table uses calendar year end and calendar quarters, but it should be noted that RBC's fiscal year end is October 31 and City National's fiscal year end is December 31.

	RBC common shares TSX (in C\$)		RBC common shares NYSE (in US\$)		City National common stock NYSE (in US\$)	
	High	Low	High	Low	High	Low
Annual information for the past five calendar years						
2010	62.42	48.95	62.10	46.34	64.13	45.81
2011	60.79	43.40	63.17	41.43	62.90	36.01
2012	60.53	49.57	61.24	47.65	54.63	45.39
2013	71.75	58.92	68.57	56.64	79.33	51.13
2014	83.33	68.06	75.90	61.42	81.85	68.39
Quarterly information for the past two years and subsequent quarters:						
2013, quarter ended						
March 31	64.49	60.50	63.66	59.31	59.61	51.13
June 30	64.10	58.92	62.17	56.64	63.66	54.36
September 30	66.56	60.55	64.85	57.12	71.15	64.11
December 31	71.75	65.98	68.57	63.88	79.33	65.39
2014, quarter ended						
March 31	73.18	68.06	67.08	61.42	81.07	68.39
June 30	76.28	72.13	71.43	65.37	80.49	69.04
September 30	83.11	77.01	75.90	71.34	79.58	72.48
December 31	83.33	77.26	73.70	66.52	81.85	69.76
2015, quarter ended						
March 31	80.70	71.74	68.55	56.59	90.66	73.83
June 30 (through April 21, 2015)	81.27	76.25	60.42	66.67	93.58	89.41
Monthly information for the most recent six months						
October 2014	80.99	77.26	72.92	68.62	78.71	69.76
November 2014	83.33	80.01	73.70	70.39	80.23	77.19
December 2014	82.78	77.41	73.05	66.52	81.85	75.65

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January 2015	80.70	71.74	68.55	56.59	89.45	73.83
February 2015	78.31	72.91	62.81	58.04	90.66	87.42
March 2015	78.22	75.09	62.34	59.16	90.26	88.35

Fluctuations in the exchange rate between the Canadian dollar and the U.S. dollar will affect any comparisons of RBC common shares traded on the TSX and RBC common shares traded on the NYSE.

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The following table presents the last reported closing sale price per share of RBC common shares on the TSX and the NYSE and of City National common stock on the NYSE on (a) January 21, 2015, the last full trading day prior to the public announcement by RBC and City National of the transaction and execution of the merger agreement, and (b) April 21, 2015, the last trading day for which this information could be calculated prior to the date of this proxy statement/prospectus. The table also sets forth the equivalent pro forma sale price of City National common stock on each of these dates, which assumes share consideration is received for a share of City National common stock. The equivalent pro forma sale price is determined based on (i) an assumed exchange ratio of 1.509 RBC common shares per share of City National common stock, which assumes that the merger was completed on January 22, 2015 and that the applicable VWAP was \$62.16 (the closing price of RBC common shares on the NYSE on January 21, 2015, the last trading day before announcement of the merger), and (ii) the value of 1.509 RBC common shares based on the closing price of RBC common shares on the NYSE on the applicable date listed in the table below.

	RBC common shares TSX (C\$)	RBC common shares NYSE (US\$)	City National common stock NYSE (US\$)	City National common stock Equivalent Pro Forma (US\$)
January 21, 2015	76.61	62.16	74.57	93.80
April 21, 2015	80.30	65.35	93.13	98.61

City National stockholders will not receive the merger consideration until the merger is completed, which may be a substantial period of time after the City National special meeting. There can be no assurance as to the trading prices of RBC common shares at the time of the closing of the merger. The market prices of RBC common shares and City National common stock and the Canadian dollar/U.S. dollar exchange rate are likely to fluctuate prior to consummation of the merger and cannot be predicted. We urge you to obtain current market quotations for both RBC common shares and City National common stock and the Canadian dollar/U.S. dollar exchange rate.

The table below sets forth the dividends declared per RBC common share and the dividends declared per share of City National common stock for the fiscal years ended 2010, 2011, 2012, 2013 and 2014. RBC's fiscal year end is October 31 and City National's fiscal year end is December 31.

Fiscal Year Ended	RBC (C\$)⁽¹⁾	City National (US\$)⁽²⁾
2010	2.00	0.40
2011	2.08	0.80
2012	2.28	1.50
2013	2.53	0.75
2014	2.84	1.32

- (1) RBC dividends declared during fiscal quarters ended January 31, April 30, July 31 and October 31. RBC's dividends are declared and payable in Canadian dollars. Common shareholders with addresses in the United States receive dividends in U.S. dollars unless they elect otherwise.
- (2) City National dividends declared during fiscal quarters ended March 31, June 30, September 30 and December 31.

Table of Contents**CURRENCY EXCHANGE RATE DATA**

The following table shows, for the years and dates indicated, certain information regarding the Canadian dollar/U.S. dollar exchange rate. The information is based on the noon exchange rate as reported by the Bank of Canada. Such exchange rate on April 21, 2015 was C\$1.2274 = US\$1.00.

	Period End	Average⁽¹⁾	Low	High
Year ended October 31, (C\$ per US\$)				
2010	1.0188	1.0414	0.9961	1.0778
2011	0.9935	0.9846	0.9449	1.0604
2012	0.9996	1.0034	0.9710	1.0487
2013	1.0429	1.0233	0.9839	1.0576
2014	1.1275	1.0934	1.0415	1.1289
Month end, (C\$ per US\$)			Low	High
October 2014			1.1136	1.1289
November 2014			1.1236	1.1427
December 2014			1.1344	1.1643
January 2015			1.1728	1.2717
February 2015			1.2403	1.2635
March 2015			1.2440	1.2803

(1) The average of the noon buying rates on the last business day of each full month during the relevant period.

Table of Contents**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

From time to time, RBC and/or City National make written or oral forward-looking statements within the meaning of certain securities laws, including the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. This proxy statement/prospectus, including information incorporated by reference into this document, may contain forward-looking statements, including, for example, but not limited to, statements about management expectations, strategic objectives, growth opportunities, business prospects, regulatory proceedings, transaction synergies and other benefits of the merger, and other similar matters. Forward-looking statements are not statements of historical facts and represent only RBC's and/or City National's beliefs regarding future performance, which is inherently uncertain. Forward-looking statements are typically identified by words such as believe, expect, foresee, forecast, anticipate, intend, estimate, goal, plan, similar expressions of future or conditional verbs such as will, may, should, could or would.

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties that give rise to the possibility that RBC's and/or City National's predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that RBC's and/or City National's assumptions may not be correct and that RBC's and/or City National's objectives, strategic goals and priorities will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause actual results to differ materially from the expectations expressed in such forward-looking statements. These factors include, but are not limited to, the possibility that the merger does not close when expected or at all because required regulatory, stockholder or other approvals are not received or other conditions to the closing are not satisfied on a timely basis or at all; that RBC and City National may be required to modify the terms and conditions of the merger agreement to achieve regulatory or stockholder approval, or that the anticipated benefits of the merger are not realized as a result of such things as the strength of the economy and competitive factors in the areas where City National does business; general business and economic conditions in Canada, the United States and other countries in which we conduct business; the impact of the movement of the Canadian dollar relative to other currencies, particularly the U.S. dollar, British pound and Euro; the effects of changes in government monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in the laws and regulations regulating financial services and enforcement thereof (including broker-dealer, banking, insurance and securities); judicial or regulatory judgments and legal proceedings; RBC's ability to complete the acquisition of City National and integrate it with RBC successfully; the risk that expected synergies and benefits of the merger will not be realized within the expected time frame or at all; the risk of attrition of financial consultants and of assets under management, increased operating costs, customer loss, employee loss and business disruption following the merger; reputational risks; the outcome of various litigation and proceedings to which City National is a party and the adequacy of reserves maintained therefor; and other factors that may affect future results of RBC and City National, including changes in trade policies, timely development and introduction of new products and services, changes in tax laws, and technological and regulatory changes.

We caution that the foregoing list of important factors is not exhaustive and other factors could also adversely affect the completion of the merger and the future results of RBC or City National. The forward-looking statements speak only as of the date of this proxy statement/prospectus, in the case of forward-looking statements contained in this proxy statement/prospectus, or the dates of the documents incorporated by reference into this proxy statement/prospectus, in the case of forward-looking statements made in those incorporated documents. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by applicable law or regulation, RBC and City National do not undertake to update any forward-looking statement, whether written or oral, to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events.

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For additional information about factors that could cause RBC's and City National's results to differ materially from those described in the forward-looking statements, please see the section entitled "Risk Factors" as well as in the reports that RBC and City National have filed with the SEC, described under the section entitled "Where You Can Find More Information", including RBC's 2014 Annual Report on Form 40-F ("2014 Annual Report") and its Q1 2015 Report of Foreign Private Issuer on Form 6-K ("Q1 2015 Report") and City National's Annual Report on Form 10-K for the year ended December 31, 2014, which are available at the SEC's Internet site (www.sec.gov). RBC's material general economic assumptions underlying certain of the forward-looking statements in this prospectus and the documents incorporated by reference herein are set out in its 2014 Annual Report under the heading "Overview and Outlook - Economic and market review outlook" and for each business segment under the heading "Outlook and priorities", as updated by the "Overview" section in its Q1 2015 Report.

All subsequent written or oral forward-looking statements concerning the merger or other matters addressed in this proxy statement/prospectus and attributable to RBC, City National or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

Table of Contents**RISK FACTORS**

*Investing in RBC common shares and the New RBC Preferred Shares involves risks, some of which are related to the merger. In addition to the other information included or incorporated by reference in this proxy statement/prospectus, you should carefully consider the matters described below relating to the merger in deciding whether to vote for the approval of the merger agreement proposal. Although RBC and City National believe that the matters described below cover the material risks related to the merger, they may not contain all of the information that is important to you in evaluating the merger. Accordingly, we urge you to read this entire proxy statement/prospectus, including the appendices and the information included or incorporated by reference in this document. Please also refer to the additional risk factors identified in the periodic reports and other documents of RBC and City National incorporated by reference into this proxy statement/prospectus and listed in the section entitled *Where You Can Find More Information* .*

Because the market price of RBC common shares will fluctuate, City National common stockholders cannot be sure of the value of the merger consideration they will receive.

Upon completion of the merger, each share of City National common stock will be converted into merger consideration consisting of either cash consideration or share consideration in the form of RBC common shares, pursuant to the terms of the merger agreement.

If you are a holder of City National common stock, regardless of whether you receive cash consideration or share consideration, or a mix of both, both the amount of and value of the merger consideration that you will receive will fluctuate based on the market price of RBC common shares. The value of the merger consideration that a City National stockholder will receive for each share of City National common stock will depend, among other factors, on the volume weighted average RBC common share price for the ten trading days preceding the completion of the merger (calculated using both NYSE and TSX volumes and the Bank of Canada daily noon Canada/U.S. exchange rate on each applicable day). The value of the share consideration for City National stockholders that receive share consideration, will also be based on the price per share of RBC common shares at the time the shares are received. Both the closing price of RBC common shares on the date that the merger is completed and the volume weighted average RBC common share price for the ten trading days preceding the completion of the merger may vary from the closing price of RBC common shares on the date RBC and City National announced the merger, on the date that this document is being mailed to each of the RBC and City National stockholders, on the date of the special meeting of City National stockholders, or on any other date. Any change in the market price of RBC common shares prior to completion of the merger will affect the value of the merger consideration that City National stockholders will receive upon completion of the merger. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in our respective businesses, operations and prospects, and regulatory considerations, among other things. Many of these factors are beyond the control of RBC and City National. Accordingly, at the time of the City National special meeting, City National stockholders will not know or be able to calculate the amount of the cash consideration or share consideration they would receive or the value of the RBC common shares they would receive upon completion of the merger.

City National common stockholders may receive a form of consideration different from what they elect.

Although each holder of City National common stock may elect to receive all cash or all RBC common shares in the merger, or cash for certain shares of City National common stock and RBC common shares for other shares, the pool of the aggregate cash and RBC common shares representing the merger consideration for all City National stockholders is fixed. As a result, if either the aggregate cash elections or stock elections exceed the maximum available, and you choose the consideration election that exceeds the maximum available, some or all of your

consideration may be in a form that you did not choose.

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City National common stockholders who make elections may be unable to sell their shares in the market pending the merger.

City National common stockholders may elect to receive cash, stock or mixed consideration in the merger by completing an election form that will be sent under separate cover and is not being provided with this document. Elections will require that stockholders making the election turn in their City National stock certificates. This means that during the time between when the election is made and the date the merger is completed, City National common stockholders will be unable to sell their City National common stock. If the merger is unexpectedly delayed, this period could extend for a significant period of time. City National common stockholders can shorten the period during which they cannot sell their shares by delivering their election shortly before the election deadline. However, elections received after the election deadline will not be accepted or honored.

Upon completion of the merger, holders of City National common stock and preferred stock will become holders of RBC common shares and New RBC Preferred Shares, respectively, and the market price for RBC common shares and RBC preferred shares may be affected by factors different from those that historically have affected City National.

Upon completion of the merger, holders of City National common stock will become holders of RBC common shares and holders of City National preferred stock will become holders of New RBC Preferred Shares. RBC's businesses differ from those of City National, and accordingly the results of operations of RBC will be affected by some factors that are different from those currently affecting the results of operations of City National. For a discussion of the businesses of City National and RBC and of some important factors to consider in connection with those businesses, see the documents incorporated by reference in this proxy statement/prospectus and referred to under "Where You Can Find More Information".

Combining the two companies may be more difficult, costly or time-consuming than expected.

RBC and City National have operated and, until the completion of the merger, will continue to operate, independently. The success of the merger, including anticipated benefits and cost savings, will depend, in part, on RBC's ability to successfully integrate City National's operations in a manner that results in various benefits, including, among other things, enhanced revenues and revenue synergies, an expanded market reach and operating efficiencies, and that does not materially disrupt existing client relationships nor result in decreased revenues due to loss of clients. This could result in a loss of key personnel or cause an interruption of, or loss of momentum in, the activities of one or more of the surviving corporation's businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the ability of RBC or City National to maintain relationships with clients and employees. The diversion of management's attention and any delays or difficulties encountered in connection with the merger and the integration of City National's operations could have an adverse effect on the business, financial condition, operating results and prospects of the surviving corporation after the merger.

The success of the combined entity following the merger will depend in part on the ability of RBC to integrate the two businesses. If RBC experiences difficulties in this process, including those listed above, RBC may fail to realize the anticipated benefits of the merger in a timely manner or at all. Failure to achieve these anticipated benefits could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy and could have an adverse effect on the surviving corporation's business, financial condition, operating results and prospects.

Among the factors considered by the boards of directors of RBC and City National in connection with their respective approvals of the merger agreement were the benefits that could result from the merger. We cannot give any assurance

that these benefits will be realized within the time periods contemplated or at all.

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Some directors and executive officers of City National have interests in the merger that may differ from the interests of City National stockholders generally, including, if the merger is completed, the receipt of financial and other benefits.

In considering the recommendation of City National's board of directors, you should be aware that some of its directors and executive officers have interests in the merger that are different from, or in addition to, those of City National stockholders generally. These interests include, among others, potential severance benefits and other payments, the treatment of outstanding equity awards pursuant to the merger agreement, and rights to ongoing indemnification and insurance coverage. These interests are described in more detail in the section entitled "The Merger Interests of City National's Directors and Executive Officers in the Merger".

The merger agreement contains provisions that may discourage other companies from trying to acquire City National for greater merger consideration.

The merger agreement contains provisions that may discourage a third party from submitting an acquisition proposal to City National that might result in greater value to City National's common stockholders than the merger, or may result in a potential competing acquirer proposing to pay a lower per share price to acquire City National than it might otherwise have proposed to pay. These provisions include a general prohibition on City National from soliciting or, subject to certain exceptions relating to the exercise of fiduciary duties by the City National board of directors, entering into discussions with any third party regarding, any acquisition proposal or offers for competing transactions. In addition, City National may be required to pay RBC a termination fee of \$220 million in certain circumstances involving acquisition proposals for competing transactions. See the sections entitled "The Merger Agreement Termination" and "The Merger Agreement Effect of Termination and Termination Fee".

If the merger is not consummated by January 22, 2016, either RBC or City National may choose not to proceed with the merger.

Either RBC or City National may terminate the merger agreement if the merger has not been completed by January 22, 2016, the date of the first anniversary of the merger agreement, unless the failure of the merger to be completed has resulted from the material failure of the party seeking to terminate the merger agreement to perform its obligations. See the section entitled "The Merger Agreement Termination".

Termination of the merger agreement or failure to complete the merger could negatively impact the stock price and the future business and financial results of City National, and in certain circumstances could result in the payment by City National of a termination fee.

If the merger is not completed for any reason, including as a result of City National stockholders declining to approve the merger agreement, the ongoing business of City National may be adversely affected and, without realizing any of the benefits of having completed the merger, City National would be subject to a number of risks, including the following:

City National may experience negative reactions from the financial markets, including negative impacts on its stock price;

City National may experience negative reactions from its clients, vendors and employees;

City National will have incurred substantial expenses and will be required to pay certain costs relating to the merger, whether or not the merger is completed;

the merger agreement places certain restrictions on the conduct of City National's businesses prior to completion of the merger. Such restrictions, the waiver of which is subject to the consent of RBC (not to be unreasonably withheld), may prevent City National from making certain acquisitions or taking certain other specified actions during the pendency of the merger (see the section entitled "The Merger

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Agreement Covenants and Agreements Conduct of Businesses Prior to the Completion of the Merger for a description of the restrictive covenants applicable to City National); and

matters relating to the merger (including integration planning) will require substantial commitments of time and resources by City National management, which would otherwise have been devoted to other opportunities that may have been beneficial to City National as an independent company.

In addition to the above risks, if the merger agreement is terminated and City National's board of directors seeks another merger or business combination, City National stockholders cannot be certain that City National will be able to find a party willing to offer equivalent or more attractive consideration than the consideration RBC has agreed to provide in the merger. If the merger agreement is terminated under certain circumstances, City National may be required to pay a termination fee of \$220 million to RBC. See the section entitled "The Merger Agreement Effect of Termination and Termination Fee".

Also, termination of the merger agreement could increase the possibility of downgrades by City National's credit rating agencies or adverse regulatory actions which could adversely affect City National's businesses.

The merger is subject to the receipt of consents and approvals from government entities that may impose conditions that could have an adverse effect on RBC, or, if not obtained, could prevent or delay completion of the merger.

Before the transactions contemplated in the merger agreement may be completed, various approvals must be obtained from the Federal Reserve Board, the Superintendent of Financial Institutions (Canada), and antitrust and other governmental authorities. In determining whether to grant these approvals, the regulators consider a variety of factors, including the regulatory standing of each party and the factors described under "The Merger Regulatory Matters Related to the Merger" and "The Merger Agreement Conditions to the Merger". An adverse development in either party's regulatory standing or these factors could result in an inability to obtain one or more approvals or delay their receipt. These governmental entities may impose conditions, limitations or costs, require branch divestitures or place restrictions on the conduct of RBC or the surviving entity after the closing as a condition to the granting of such approvals or require changes to the terms of the merger. Such conditions or changes and the process of obtaining regulatory approvals could have the effect of delaying completion of the merger or of imposing additional costs or limitations on RBC following the merger, any of which might have an adverse effect on the surviving corporation following the merger. The regulatory approvals may not be received at any time, may not be received in a timely fashion, and may contain conditions on the completion of the merger that adversely affect the surviving corporation's business following the closing, or which are not anticipated or cannot be met.

In addition, one of the conditions for closing is that no regulatory approval required for the merger result in the imposition of a condition or restriction that would reasonably be likely to have a material and adverse effect on RBC and its subsidiaries, taken as a whole (with such materiality measured on a scale relative to City National and its subsidiaries, taken as a whole).

Certain rights of holders of City National common stock will change as a result of the merger.

Following completion of the merger, holders of City National common stock will no longer be stockholders of City National, a Delaware corporation, but will instead be shareholders of RBC, a Canadian chartered bank. There will be certain differences between your current rights as a stockholder of City National, on the one hand, and the rights to which you will be entitled as a shareholder of RBC, on the other hand. For a more detailed discussion of the

differences in the rights of stockholders of City National and RBC, see Comparison of Rights of RBC Shareholders and City National Stockholders .

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If the merger fails to qualify as a reorganization within the meaning of Section 368(a) of the Code, City National stockholders may be required to recognize gain or loss on the exchange of their shares of City National common stock in the merger for U.S. federal income tax purposes.

RBC and City National have structured the merger to qualify as a reorganization within the meaning of Section 368(a) of the Code. Neither RBC nor City National intends to request any ruling from the U.S. Internal Revenue Service, referred to as the IRS, as to the tax consequences of the exchange of shares of City National common stock for RBC common shares in the merger. If the merger fails to qualify as a reorganization, a City National stockholder would generally recognize gain or loss for U.S. federal income tax purposes on each share of City National common stock exchanged in the merger in an amount equal to the difference between that stockholder's tax basis in such share and the fair market value of the RBC common shares and/or cash the City National stockholder receives or may receive in exchange for each such share of City National common stock. You are urged to consult with your own tax advisor regarding the proper reporting of the amount and timing of such gain or loss. See *The Merger Material United States Federal Income Tax Consequences*.

Holders of City National common stock will have a reduced ownership and voting interest after the merger and will exercise less influence over management of the combined organization.

Holders of City National common stock currently have the right to vote in the election of City National's board of directors and on other matters affecting City National. Upon the completion of the merger, each holder of City National common stock that receives RBC common shares will become a shareholder of RBC with a percentage ownership of the combined organization that is much smaller than the stockholder's percentage ownership of City National. It is expected that the former holders of City National common stock as a group will receive shares in the merger constituting less than 3% of the outstanding RBC common shares immediately after the merger. Because of this, holders of City National common stock will have significantly less influence on the management and policies of RBC than they now have on the management and policies of City National.

City National will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees and clients may have an adverse effect on City National and consequently on RBC. These uncertainties may impair City National's ability to attract, retain and motivate key personnel until the merger is completed, and could cause clients and others that deal with City National to seek to change existing business relationships with City National. Retention of certain employees may be challenging during the pendency of the merger, as certain employees may experience uncertainty about their future roles. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the business, RBC's business following the merger could be negatively impacted. In addition, until the merger occurs, the merger agreement restricts City National from making certain acquisitions and taking other specified actions without the consent of RBC. These restrictions may prevent City National from pursuing attractive business opportunities that may arise prior to the completion of the merger. See *The Merger Agreement Covenants and Agreements* for a description of the restrictive covenants applicable to City National.

RBC's consolidated results of operations may be negatively impacted by foreign currency fluctuations.

A portion of RBC's consolidated revenues following the merger will be earned in non-Canadian currencies, primarily U.S. dollars. The revenues that are earned in currencies other than Canadian dollars are subject to unpredictable fluctuations if the values of non-Canadian currencies change relative to the Canadian dollar. Such fluctuations could decrease RBC's revenues earned in non-Canadian currencies and have a material adverse impact on its business.

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RBC expects to maintain its status as a foreign private issuer in the U.S. and thus will be exempt from a number of rules under the U.S. Securities Exchange Act of 1934, as amended, and will be permitted to file less information with the SEC than a company incorporated in the U.S.

As a foreign private issuer, RBC is exempt from rules under the U.S. Securities Exchange Act of 1934, as amended, referred to as the Exchange Act, that impose disclosure requirements, as well as procedural requirements, for proxy solicitations under Section 14 of the Exchange Act. In addition, RBC's officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act. In addition, RBC is permitted, under a multi-jurisdictional disclosure system adopted by the United States and Canada, to prepare its disclosure documents filed under the Exchange Act in accordance with Canadian disclosure requirements, including preparing its financial statements in accordance with IFRS, which differ in some respects from U.S. GAAP.

RBC is chartered under the laws of Canada and a substantial portion of its assets are, and many of its directors and officers reside, outside of the United States. As a result, it may not be possible for shareholders to enforce civil liability provisions of the securities laws of the United States in Canada.

RBC is chartered under the laws of Canada. A substantial portion of RBC's assets are located outside the United States, and many of RBC's directors and officers and some of the experts named in this proxy statement/prospectus are residents of jurisdictions outside of the United States. As a result, it may be difficult for investors to effect service within the United States upon RBC and those directors, officers and experts, or to realize in the United States upon judgments of courts of the United States predicated upon civil liability of RBC and such directors, officers or experts under the United States federal securities laws. There is uncertainty as to the enforceability in Canada by a court in original actions, or in actions to enforce judgments of United States courts, of the civil liabilities predicated upon the United States federal securities laws.

Certain market activities of RBC and its affiliates may affect the value of RBC common shares.

RBC and its affiliates engage in market making, derivatives and structured notes hedging, brokerage and facilitation trading, asset management, plan-related activities, banking-related activities, estates and trusts services, custody-related activities, stock borrowing and lending and taking of collateral, involving RBC common shares outside the United States (and, to a limited extent, within the United States). Please read the section entitled "RBC Market Activities Involving RBC Common Shares" for more information. Such activities could have the effect of influencing the market price of RBC common shares.

The ability of RBC to pay dividends on RBC common shares and the New RBC Preferred Shares is subject to RBC's timely payment of distributions on outstanding RBC Trust Capital Securities.

In the event that a distribution is not paid when due on any outstanding RBC Trust Capital Securities (RBC TruCS) issued by RBC Capital Trust, a subsidiary of RBC, RBC is not permitted to pay dividends on its outstanding preferred shares (which would include the New RBC Preferred Shares) or common shares, for a specified period of time unless the required distribution is paid to the holders of RBC TruCS.

The opinions received by the City National board of directors from BofA Merrill Lynch and Sandler O'Neill have not been, and are not expected to be, updated to reflect any changes in circumstances that may have occurred since the dates of the opinions.

The opinions delivered to the City National board of directors by BofA Merrill Lynch and Sandler O'Neill, financial advisors to City National, as to the fairness, from a financial point of view, of the merger consideration to be received

by the holders of City National common stock in the proposed merger speak only as of the date of the opinions, which is January 21, 2015. Changes in the operations and prospects of RBC or City National, general market and economic conditions and other factors which may be beyond the control of RBC and City

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National may have altered the value of RBC or City National or the sale prices of RBC common shares as of the date of this proxy statement/prospectus, or may alter such values and sale prices by the time the merger is completed. Neither BofA Merrill Lynch nor Sandler O'Neill has any obligation to update, revise or reaffirm its opinion to reflect subsequent developments and neither has done so. City National does not currently anticipate asking BofA Merrill Lynch or Sandler O'Neill to update its opinion to address the fairness of the merger consideration from a financial point of view at the time the merger is completed. The City National board of directors' recommendation that City National common stockholders vote **FOR** approval of the merger agreement proposal, however, is made as of the date of this proxy statement/prospectus. See [The Merger](#), [Opinions of City National's Financial Advisors](#), and [Appendix C](#) and [Appendix D](#) to this proxy statement/prospectus.

Additional Risks Relating to New RBC Preferred Shares**Certain rights of holders of City National preferred stock will change as a result of the merger.**

Upon completion of the merger, each share of City National preferred stock issued and outstanding immediately prior to completion of the merger will be cancelled and RBC will issue to the former holder one share of the corresponding series of New Preferred Shares. As a result, following completion of the merger, holders of City National preferred stock will no longer be stockholders of City National, a Delaware corporation, but will instead be shareholders of RBC, a Canadian chartered bank. There will be certain differences between your current rights as a stockholder of City National, on the one hand, and the rights to which you will be entitled as a shareholder of RBC, on the other hand. For a more detailed discussion of the differences in the rights of stockholders of City National and RBC, see [Comparison of Rights of RBC Shareholders and City National Stockholders](#).

RBC's creditworthiness may affect the market value of the New RBC Preferred Shares.

The value of the New RBC Preferred Shares will be affected by RBC's general creditworthiness. For discussion and analysis of known material trends and events, and risks or uncertainties that are reasonably expected to have a material effect on RBC's business, financial condition or results of operations, you should review the RBC documents incorporated by reference into this proxy statement/prospectus. See [Where You Can Find More Information](#) and [Where You Can Find More Information - Incorporation of Certain Documents by Reference](#).

Changes in credit ratings may affect the market value of the New RBC Preferred Shares.

Real or anticipated changes in credit ratings on RBC or the New RBC Preferred Shares may affect the market value of the New RBC Preferred Shares. In addition, real or anticipated changes in credit ratings can affect the cost at which RBC can transact or obtain funding, and thereby affect RBC's liquidity, business, financial condition or results of operations.

In the event of RBC's insolvency, the New RBC Preferred Shares will rank junior to other securities.

In the event of RBC's insolvency, any New RBC Preferred Shares issued and outstanding, which are series of RBC first preferred shares, will rank equally with RBC's other outstanding series of first preferred shares. If RBC becomes insolvent or is wound up, its assets must be used to pay its deposit liabilities and other debt, including subordinated debt, before payments may be made on the New RBC Preferred Shares and RBC's other series of first preferred shares.

Yields on similar securities will affect the market value of the New RBC Preferred Shares.

Prevailing yields on securities similar to the New RBC Preferred Shares will affect the market value of the New RBC Preferred Shares. Assuming all other factors remain unchanged, the market value of New RBC

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Preferred Shares will decline as prevailing yields for similar securities rise, and will increase as prevailing yields for similar securities decline.

U.S. Holders of City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C should recognize gain or loss upon the receipt of RBC Series C-1 Preferred Shares.

A U.S. holder should recognize gain or loss upon the exchange of City National 5.50% Non-Cumulative Perpetual Preferred Stock, Series C for RBC Series C-1 Preferred Shares pursuant to the merger. RBC intends to treat such an exchange as one that requires the recognition of gain or loss for purposes of its information reporting obligations. U.S. holders of City National preferred stock are urged to consult their own tax advisors about the tax consequences of the exchange of City National preferred stock for New RBC Preferred Shares. For more information, see [The Merger Material United States Federal Income Tax Consequences The Merger U.S. Holders of City National Preferred Stock](#) .

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THE CITY NATIONAL SPECIAL MEETING

This section contains information for holders of City National common stock about the special meeting that City National has called to allow its common stockholders to consider and approve the merger agreement. City National is mailing this proxy statement/prospectus to its common stockholders on or about April 22, 2015. Together with this proxy statement/prospectus, City National is sending a notice of the City National special meeting and a form of proxy that City National's board of directors is soliciting for use at the City National special meeting and at any adjournments or postponements of the City National special meeting.

This proxy statement/prospectus is also being furnished by RBC to common stockholders of City National as a prospectus in connection with the issuance of RBC common shares upon completion of the merger.

Time, Place and Purpose of the Special Meeting

This proxy statement/prospectus is being furnished to City National common stockholders as part of the solicitation of proxies by the City National board of directors for use at the special meeting to be held on May 27, 2015, at City National Plaza, 555 South Flower Street, Thirteenth Floor, Los Angeles, California 90071, local time, at 4:00 p.m., or at any postponement or adjournment thereof.

At the special meeting, City National stockholders will be asked to consider and vote upon the following proposals:

1. a proposal to adopt the merger agreement (the merger agreement proposal);
2. a proposal to approve, by advisory (non-binding) vote, certain compensation that may be paid or become payable to City National's named executive officers in connection with the merger (the merger-related compensation proposal); and
3. a proposal for adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement (the adjournment proposal).

Holders of City National preferred stock are not entitled to and are not being requested to vote on any of the proposals or otherwise at the City National special meeting.

Merger Agreement Proposal

City National common stockholders must adopt the merger agreement by approving the merger agreement proposal in order for the merger to occur. A copy of the merger agreement is attached as Appendix A to this proxy statement/prospectus, and you are encouraged to read the merger agreement carefully and in its entirety, as well as the other information in this proxy statement/prospectus.

Merger-Related Compensation Proposal

Pursuant to Section 14A of the Exchange Act and Rule 14a-21(c) thereunder, City National is providing its common stockholders with a separate advisory (non-binding) vote to approve the merger-related compensation that may be

paid or become payable to its named executive officers that is based on or otherwise relates to the merger, as described in the table in the section entitled *Interests of City National's Directors and Executive Officers in the Merger - Quantification of Potential Payments and Benefits to City National's Named Executive Officers in Connection with the Merger*, including the footnotes to the table and related narrative discussion.

Stockholders are being asked to approve the following resolution on an advisory (non-binding) basis:

RESOLVED, that the compensation that may be paid or become payable to City National's named executive officers in connection with the merger, and the agreement or understandings pursuant to

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which such compensation may be paid or become payable, in each case as disclosed pursuant to Item 402(t) of Regulation S-K in the table in the section entitled "Interests of City National's Directors and Executive Officers in the Merger - Quantification of Potential Payments and Benefits to City National's Named Executive Officers in Connection with the Merger", including the footnotes to the table and the related narrative discussion, is hereby APPROVED.

The vote on the merger-related compensation proposal is advisory in nature and, therefore, is not binding on City National or on RBC or the boards of directors or the compensation committees of City National or RBC, regardless of whether the merger agreement proposal is approved.

Approval of this advisory (non-binding) proposal is not a condition to completion of the merger. If the merger is completed, the merger-related compensation may be paid to City National's named executive officers to the extent payable in accordance with the terms of their compensation agreements and arrangements, and the outcome of this advisory (non-binding) vote will not affect City National's or RBC's obligations to make these payments even if City National common stockholders do not approve, by advisory (non-binding) vote, this proposal.

The vote on the merger-related compensation proposal is separate from the vote to adopt the merger agreement. You may vote **AGAINST** the merger-related compensation proposal and **FOR** approval of the merger agreement proposal and vice versa. You also may abstain from this proposal and vote on the merger agreement proposal and vice versa.

Adjournment Proposal

City National common stockholders are being asked to grant authority to proxy holders to vote in favor of one or more adjournments of the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement. If this proposal is approved, the special meeting could be successively adjourned to any date. In accordance with the City National by-laws, a vote on adjournment of the special meeting may be taken in the absence of a quorum. City National does not intend to call a vote on adjournment of the special meeting to solicit additional proxies if the merger agreement proposal is approved at the special meeting. Additionally, pursuant to the merger agreement, City National is only required to adjourn the special meeting to solicit additional proxies two times.

The approval of the adjournment proposal requires the affirmative vote of the holders of a majority of shares of City National common stock present in person or represented by proxy and entitled to vote thereon, whether or not a quorum is present.

Recommendations of the City National Board of Directors

The City National board of directors recommends that you vote **FOR** the merger agreement proposal, **FOR** the merger-related compensation proposal and **FOR** the adjournment proposal.

Record Date

City National has set the close of business on April 22, 2015 as the record date for the special meeting, and only holders of record of City National common stock on the record date are entitled to vote at the special meeting or any postponements or adjournments thereof. You are entitled to receive notice of, and to vote at, the special meeting if you owned shares of City National common stock, including shares in respect of City National restricted stock awards, as of the close of business on the record date. You will have one vote on all matters properly coming before the special meeting for each share of City National common stock that you owned as of the close of business on the record date.

As of the most recent practicable date, April 17, 2015, there were 55,605,013 shares of City National common stock outstanding and entitled to vote, held by 1,511 holders of record. As of April 13, 2015, the

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directors and executive officers of City National and their affiliates beneficially owned and were entitled to vote approximately 7,485,779 shares of City National common stock representing approximately 13.5% of the shares of City National common stock outstanding on that date. In connection with the merger agreement and the merger, the Goldsmith Parties have agreed to vote approximately 7,125,310 shares **FOR** the merger agreement proposal and **FOR** the adjournment proposal.

As of the most recent practicable date, April 17, 2015, RBC did not beneficially own any shares of City National common stock.

Quorum Required

The presence, in person or represented by proxy, of holders of a majority of the aggregate voting power of the issued and outstanding shares of City National common stock entitled to vote at the special meeting constitutes a quorum for the purposes of the special meeting.

Abstentions, which occur when you vote **ABSTAIN** with respect to one or more proposals, will be considered present for purposes of establishing a quorum.

Broker non-votes will also be considered present for purposes of establishing a quorum. Under the NYSE rule, banks, brokerage firms or other nominees who hold shares in street name for customers have the authority to vote on routine proposals when they have not received voting instructions from beneficial owners. However, banks, brokerage firms and other nominees are precluded from exercising their voting discretion with respect to approving non-routine matters such as the merger agreement proposal, the merger-related compensation proposal and the adjournment proposal. As a result, absent specific voting instructions from the beneficial owner of such shares of City National common stock, banks, brokerage firms and other nominees are not empowered to vote those shares of City National common stock on any of the proposals at the special meeting. A so-called broker non-vote results when banks, brokerage firms and other nominees return a valid proxy but do not vote on a particular proposal because they do not have discretionary authority to vote on the matter and have not received specific voting instructions from the beneficial owner of such shares. Because all proposals at the City National special meeting are considered non-routine, the only way a broker non-vote would result is if you provide your bank, brokerage firm or other nominee with instructions on how to vote your shares with respect to one or more proposals but do not provide it with instructions on how to vote your shares with respect to at least one proposal.

Failures to vote will not be considered present for purposes of establishing a quorum.

Vote Required

The approval of the merger agreement proposal requires the affirmative vote of a majority of the outstanding shares of City National common stock entitled to vote thereon. **Failures to vote, abstentions and broker non-votes will have the same effect as a vote AGAINST the approval of the merger agreement.**

The approval of the merger-related compensation proposal requires the affirmative vote of the holders of a majority of shares of City National common stock present in person or represented by proxy and entitled to vote thereon; however, such vote is advisory (non-binding) only. If your shares of City National common stock are present at the special meeting but are not voted on the proposal, or if you vote to abstain on the proposal, each will have the effect of a vote **AGAINST** the merger-related compensation proposal. If you fail to submit a proxy and fail to attend the special meeting, or if you do not instruct your bank, brokerage firm or other nominee to vote your shares of City National common stock in favor of the proposal, your shares of City National common stock will not be voted, but this will not

have an effect on the advisory (non-binding) vote to approve the merger-related compensation proposal except to the extent it results in there being insufficient shares present at the meeting to establish a quorum.

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The approval of the adjournment proposal requires the affirmative vote of the holders of a majority of shares of City National common stock present in person or represented by proxy and entitled to vote thereon, whether or not a quorum is present. If your shares of City National common stock are present at the special meeting but are not voted on the proposal, or if you vote to abstain on the proposal, each will have the effect of a vote **AGAINST** the adjournment proposal. If you fail to submit a proxy and fail to attend the special meeting or if your shares of City National common stock are held through a bank, brokerage firm or other nominee and you do not instruct your bank, brokerage firm or other nominee to vote your shares of City National common stock, your shares of City National common stock will not be voted, but this will not have an effect on the approval of the adjournment proposal.

How to Vote

Stockholders of Record

If your shares of City National common stock are registered directly in your name with the transfer agent of City National, Computershare Trust Company, N.A., you are considered, with respect to those shares of City National common stock, the stockholder of record. If you are a stockholder of record, this proxy statement/prospectus and the enclosed proxy card have been sent directly to you by City National.

If you are a stockholder of record, you may have your shares of City National common stock voted on matters presented at the special meeting in the following ways:

by touch-tone telephone or over the Internet, by accessing the telephone number or Internet website specified on the enclosed proxy card. The control number provided on your proxy card is designed to verify your identity when voting by telephone or by Internet. Proxies delivered over the Internet or by telephone must be submitted by 11:59 pm, Eastern Time, on the day before the special meeting. Please be aware that if you vote by telephone or over the Internet, you may incur costs such as telephone and Internet access charges for which you will be responsible;

by completing, signing, dating and returning the enclosed proxy card in the accompanying prepaid reply envelope, which must be received before the shares are voted at the special meeting; or

in person you may attend the special meeting and cast your vote there. Attendance at the special meeting will not, in and of itself, constitute a vote or a revocation of a prior proxy, however.

Beneficial Holders

If your shares of City National common stock are held through a bank, brokerage firm or other nominee, you are considered the beneficial owner of shares of City National common stock held in street name. In that case, this proxy statement/prospectus has been forwarded to you by your bank, brokerage firm or other nominee who is considered, with respect to those shares of City National common stock, the stockholder of record. As the beneficial owner, you have the right to direct your bank, brokerage firm or other nominee how to vote your shares by following their instructions for voting.

To vote your shares as a beneficial owner, you must follow the instructions received from your bank, brokerage firm or other nominee in order to have your shares of City National common stock voted. Those instructions will identify

how to ensure that your shares are voted. Please note that if you are a beneficial owner and wish to vote in person at the special meeting, you must provide a legal proxy from your bank, brokerage firm or other nominee at the special meeting.

Profit Sharing Plan Participants

If you are an employee participant that holds your shares of City National common stock through the City National Corporation Profit Sharing Plan (the Profit Sharing Plan), you will receive directions on how to submit your voting instructions from the trustee of such Profit Sharing Plan.

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To vote your shares as a participant in the Profit Sharing Plan, you must follow the instructions received from the trustee in order to have your shares of City National common stock held in such Profit Sharing Plan voted. For any City National shares you hold in the Profit Sharing Plan, the deadline for submitting your voting instructions is May 22, 2015, which, for administrative reasons, is earlier than the deadline for voting City National shares not held in the Profit Sharing Plan. If your voting instructions are not received by such deadline, your City National shares held in the Profit Sharing Plan will be voted in proportion to the way the other Profit Sharing Plan participants voted their shares.

Other Voting Instructions

Please refer to the instructions on your proxy or voting instruction card to determine the deadlines for voting over the Internet or by telephone. If you submit a proxy by mailing a proxy card, your proxy card should be mailed in the accompanying prepaid reply envelope, and your proxy card must be filed with the Secretary of City National by the time the special meeting begins. **Please do not send in your stock certificates with your proxy card.** When the merger is completed, a separate letter of transmittal will be mailed to you that will enable you to receive the merger consideration in your elected form in exchange for your stock certificates.

If you vote by proxy, the individuals named on the enclosed proxy card (each of them, with full power of substitution) will vote your shares of City National common stock in the way that you indicate. When completing the Internet or telephone processes or the proxy card, you may specify whether your shares of City National common stock should be voted **FOR** or **AGAINST** or to **ABSTAIN** from voting on all, some or none of the specific items of business to come before the special meeting.

If you properly sign your proxy card but do not mark the boxes showing how your shares of City National common stock should be voted on a matter, the shares of City National common stock represented by your properly signed proxy will be voted **FOR** the merger agreement proposal, **FOR** the merger-related compensation proposal and **FOR** the adjournment proposal.

If you hold your shares in more than one brokerage account, or if you hold your shares in multiple ways (as a record holder, beneficial holder and/or Profit Share Plan participant), you may have received more than one set of proxy materials. It is important that you return all proxy cards and voting instruction cards to make sure all your shares are voted.

If you have any questions or need assistance voting your shares, please contact Innisfree M&A Inc, City National's proxy solicitor, at (888) 750-5834.

IT IS IMPORTANT THAT YOU VOTE YOUR SHARES OF CITY NATIONAL COMMON STOCK PROMPTLY.

Revocations

Stockholders of Record

If you are a stockholder of record, you may change your vote at any time before your shares are voted in any of the following ways:

by voting via Internet or telephone at a later date (in which case only the later-submitted proxy will be counted and the earlier-submitted proxy will be revoked);

by completing, signing, dating and returning a new proxy card, which must be received before the shares are voted at the special meeting (in which case only the later-submitted proxy will be counted and the earlier-submitted proxy will be revoked);

by filing a timely written notice of revocation with the Corporate Secretary of City National at 555 South Flower Street, Los Angeles, California 90071; or

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in person you may attend the special meeting and cast your vote there (in which case any earlier-submitted proxy will be revoked). Attendance at the special meeting will not, in and of itself, constitute a vote or a revocation of a prior proxy.

Unless you decide to attend the meeting and vote your shares in person after you have submitted a prior proxy, we recommend that you revoke or amend your prior instructions in the same way you initially gave them that is, by telephone, Internet or in writing. This will help to ensure that your shares are voted the way you have finally determined you wish them to be voted. If you revoke by mail or by using the telephone or Internet voting options, City National must receive the revocation before the special meeting begins. If you choose to revoke by mail, please make sure you have provided enough time for the replacement proxy to reach City National. Once the special meeting begins, you can only revoke your proxy in person. Once the polls close at the special meeting, the right to revoke ends.

Beneficial Holders

If you are a beneficial holder, you may change your vote by following the instructions provided to you by your bank, brokerage firm or other nominee and submit new voting instructions to such bank, brokerage firm or other nominee.

Profit Sharing Plan Participants

If you hold City National common stock through the Profit Sharing Plan, you must follow the instructions provided to you by the trustee of such Profit Sharing Plan and submit new voting instructions to such trustee. The deadline for such revocations is May 22, 2015. You will not be able to change your vote after this deadline.

Inspector of Election

City National has appointed Computershare Trust Company, N.A. to act as the inspector of election at the special meeting.

Results of the Special Meeting

The preliminary voting results will be announced at the City National special meeting. In addition, within four business days following certification of the final voting results, City National will file the final voting results with the SEC on Form 8-K.

Solicitation of Proxies; Payment of Solicitation Expenses

City National will pay for the proxy solicitation costs related to the City National special meeting, except that City National and RBC will share equally the costs and expenses of printing and mailing the proxy statement/prospectus and all filing and other fees paid to the SEC in connection with the merger.

City National has engaged Innisfree M&A Inc to act as its proxy solicitor and to assist in the solicitation of proxies for the special meeting. City National has agreed to pay such proxy solicitor approximately \$25,000 plus reasonable out-of-pocket expenses for such services and also will indemnify it against certain claims, costs, damages, liabilities, judgments and expenses.

City National may reimburse banks, brokerage firms, other nominees or their respective agents for their expenses in forwarding proxy materials to beneficial owners of City National common stock.

City National's directors, officers and employees also may solicit proxies by telephone, by facsimile, by mail, on the Internet or in person. They will not be paid any additional amounts for soliciting proxies.

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Questions and Additional Information

If you have additional questions about the merger, need assistance in submitting your proxy or voting your shares of City National common stock or need additional copies of this proxy statement/prospectus or the enclosed proxy card, please contact Innisfree M&A Inc, City National's proxy solicitor, by calling toll-free at (888) 750-5834.

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INFORMATION ABOUT THE COMPANIES

Royal Bank of Canada

Executive Offices

200 Bay Street

Royal Bank Plaza

Toronto, Ontario, M5J 2J5

Telephone: (416) 955-7806

Royal Bank of Canada and its subsidiaries operate under the master brand name of RBC. RBC is Canada's largest bank, and one of the largest banks in the world, based on market capitalization. RBC is one of North America's leading diversified financial services companies, and provides personal and commercial banking, wealth management, insurance, investor services and capital markets products and services on a global basis. RBC employs approximately 78,000 full- and part-time employees who serve more than 16 million personal, business, public sector and institutional clients through offices in Canada, the U.S. and 39 other countries. RBC operates through six reporting segments: Personal & Commercial Banking, Wealth Management, Insurance, Investor & Treasury Services, Capital Markets and Corporate Support.

RBC common shares trade under the symbol "RY" on the TSX and the NYSE.

Additional information about RBC can be found on its website at www.rbc.com. The information provided on RBC's website (or any other website referenced herein) is not part of this proxy statement/prospectus and is not incorporated herein by reference.

Additional information about RBC and its subsidiaries is included in documents incorporated by reference into this document. For more information, see the section entitled "Where You Can Find More Information".

RBC USA Holdco Corporation

200 Vesey Street

New York, New York 10281

Telephone: (212) 858-7216

RBC USA Holdco Corporation ("Holdco"), is a Delaware corporation and a direct wholly-owned subsidiary of RBC. Holdco is RBC's top-level holding company in the United States and the direct or indirect owner of the majority of RBC's U.S. business operations, including RBC Capital Markets, LLC and RBC Global Asset Management (U.S.) Inc.

City National Corporation

Executive Offices

City National Plaza

555 South Flower Street

Los Angeles, California 90071

Telephone: (213) 673-7700

City National Corporation (City National), a Delaware corporation organized in 1968, provides a wide range of banking, investment and trust services to its clients through its wholly-owned banking subsidiary, City National Bank, which has conducted business since 1954. City National provides comprehensive financial solutions and a premier banking and financial experience to affluent individuals, entrepreneurs, professionals, their businesses and their families. City National is headquartered in Los Angeles, California and operates through 75 offices, including 16 full-service regional centers in Southern California, the San Francisco Bay area,

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Nevada, New York City, Nashville, Tennessee and Atlanta, Georgia. City National employs approximately 3,600 full-time employees. At December 31, 2014, City National had consolidated total assets of \$32.61 billion, total loan balances of \$20.85 billion, total deposits of \$28.11 billion, and assets under management or administration of \$60.82 billion.

City National common stock trades under the symbol **CYN** on the NYSE.

Additional information about City National can be found on its website at www.cnb.com. The information provided on City National's website is not part of this proxy statement/prospectus and is not incorporated herein by reference.

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*The following discussion contains material information about the merger and certain terms of the merger agreement. You should also read in its entirety the section entitled *The Merger Agreement* for a discussion of additional material information about the terms of the merger agreement. The discussion is subject to, and qualified in its entirety by reference to, the merger agreement, a copy of which is attached as Appendix A to this proxy statement/prospectus and incorporated herein by reference. We urge you to read carefully this entire proxy statement/prospectus, including the merger agreement, for a more complete understanding of the merger.*

Terms of the Merger***Transaction Structure***

RBC's and City National's boards of directors have approved the merger agreement. The merger agreement provides for the acquisition of City National by RBC through the merger of City National with and into Holdco, with Holdco continuing as the surviving entity. Upon completion of the merger, the separate corporate existence of City National will cease. City National Bank, which is currently a wholly-owned subsidiary of City National, will be a wholly-owned subsidiary of Holdco upon completion of the merger.

Merger Consideration

Under the terms and subject to the conditions of the merger agreement, at the effective time of the merger, each share of City National common stock, par value \$1.00 per share, will be converted into the right to receive an amount of cash (referred to as *cash consideration*) or an amount of RBC common shares (referred to as *share consideration*) at the election of the holder, subject to proration and certain other adjustments and limitations as provided for in the merger agreement.

Each share of City National common stock that is converted into the right to receive cash consideration will receive an amount in cash equal to the *Per Share Amount*. The *Per Share Amount* will be calculated by dividing the *Closing Transaction Value* by the number of shares of City National common stock outstanding at completion of the merger. Subject to certain adjustments and limitations as set forth in the merger agreement, the *Closing Transaction Value* represents an aggregate value, calculated by adding (1) the aggregate cash included in the merger consideration (\$94.50 multiplied by 50% of the number of shares of City National common stock outstanding at completion of the merger (subject to certain adjustments)) and (2) the aggregate number of RBC common shares included in the merger consideration (41,358,212, as increased based on increases in City National shares permitted to be issued following execution of the merger agreement and decreased by shares of City National, if any, cancelled in connection with the merger) multiplied by the volume weighted average RBC common share price for the ten trading days preceding the day of completion of the merger (the *VWAP*) (calculated using both NYSE and TSX volumes and the Bank of Canada daily noon Canada/U.S. exchange rate on each applicable day).

Each share of City National common stock that is converted into the right to receive share consideration will receive a number of RBC common shares equal to the *Per Share Amount* divided by the *VWAP*. RBC will not issue any fractional RBC common shares in the merger. Instead, a City National common stockholder who otherwise would have received a fraction of an RBC common share will receive an amount in cash, rounded to the nearest whole cent, which amount is based on the value of such fractional RBC common share valued at the *VWAP*.

Set forth below is a table showing a range of hypothetical *VWAP* amounts, and for each such *VWAP* (i) the corresponding amount of cash consideration that a City National common stockholder would receive per share of

common stock converted into the right to receive the cash consideration and (ii) the corresponding amount of share consideration that a City National common stockholder would receive per City National share of common

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stock converted into the right to receive the share consideration. The table does not reflect the fact that cash will be paid instead of fractional shares or the effects of proration.

Hypothetical VWAP	Share of City National Common Stock Receiving Cash Consideration
(US\$)	(cash in US\$)