

**Prospectus Supplement To Short Form Base Shelf Prospectus  
dated December 20, 2013.**

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*This prospectus supplement together with the short form base shelf prospectus dated December 20, 2013 to which it relates, as amended or supplemented, and each document incorporated by reference into such prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*The securities to be issued hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws. The securities to be issued hereunder are being sold only outside the United States to non-U.S. Persons (as defined under Regulation S under the U.S. Securities Act) and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly, in the United States of America or to or for the account or benefit of U.S. persons. See "Plan of Distribution".*

*Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus dated December 20, 2013 from documents filed with securities regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Vice-President and Head, Investor Relations, Royal Bank of Canada, 200 Bay Street, 4th Floor, North Tower, Toronto, Ontario M5J 2J5, Telephone: (416) 955-7803 or Fax: (416) 955-7800, and are also available electronically at [www.sedar.com](http://www.sedar.com).*

**New Issue**

**March 9, 2015**



**Royal Bank of Canada**

**\$5,000,000,000**

**Covered Bond Programme**

We may at various times until January 20, 2016 offer debt securities constituting unsubordinated indebtedness ("**Covered Bonds**") under the covered bond programme (the "**Covered Bond Programme**") described in this prospectus supplement in an aggregate amount of up to \$5,000,000,000 (or its equivalent in non-Canadian currencies or currency units) calculated on the basis of the principal amount of the Covered Bonds issued, in the case of interest bearing Covered Bonds, or on the basis of the gross proceeds received by us, in the case of non-interest bearing Covered Bonds or Covered Bonds bearing interest at a rate that at the time of issue is below market rates. The specific terms of each series or tranche of Covered Bonds issued hereunder, which will be established at the time of the offering and sale of such Covered Bonds, will be set out in a programme supplement (as defined herein) and pricing supplement delivered together with the short form base shelf prospectus of the Bank dated December 20, 2013 (the "**base shelf prospectus**") and this prospectus supplement to purchasers of the Covered Bonds. The aggregate amount of Covered Bonds that may be offered hereunder may be subject to reduction as a result of the sale by us of other securities pursuant to one or more other prospectus supplements under the base shelf prospectus.

The Covered Bonds will be our direct unsecured obligations which, if we become insolvent or are wound up, will rank equally with our other unsubordinated indebtedness, including deposit liabilities, other than certain governmental claims in accordance with applicable law.

RBC Covered Bond Guarantor Limited Partnership (the "**Guarantor LP**") has agreed to guarantee payments of interest and principal under the Covered Bonds pursuant to a direct and, following the occurrence of a Covered Bond Guarantee Activation Event (as such term will be defined in the programme supplement), unconditional and irrevocable guarantee which is secured by the assets of the Guarantor LP, including the Covered Bond Portfolio (as such term will be defined in the programme supplement). Recourse against the Guarantor LP under the Covered Bond Guarantee (as such term will be defined in the programme supplement) is limited to the aforementioned assets and the Guarantor LP will not have any other source of funds available to meet its obligations under the Covered Bond Guarantee.

**THESE COVERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY CANADA MORTGAGE AND HOUSING CORPORATION ("CMHC") (THE ADMINISTRATOR OF THE CANADIAN REGULATED COVERED BOND REGIME UNDER Part I.1 OF THE NATIONAL HOUSING ACT (CANADA)) NOR HAS CMHC PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE DOCUMENT. THESE COVERED BONDS ARE NOT INSURED OR GUARANTEED BY CMHC OR THE GOVERNMENT OF CANADA OR ANY OTHER AGENCY THEREOF.**

**An investment in Covered Bonds involves certain risks. See "Risk Factors".**

**The Covered Bonds will not be deposits insured under the *Canada Deposit Insurance Corporation Act*.**

The Covered Bonds will be offered severally by one or more of RBC Dominion Securities Inc. ("**RBC DS**") and other dealers that may be appointed from time to time each of whom will be a Dealer (each of whom will be a Dealer (as defined in

the programme supplement), and herein referred to individually as, a “**Dealer**” and collectively, as “**Dealers**”) in respect of the Covered Bonds offered hereunder. Under a dealer agreement dated March 9, 2015, as the same may be amended or supplemented from time to time, between us, the Guarantor LP and the Dealers (the “**Dealer Agreement**”), the Covered Bonds may be purchased or offered at various times by any of the Dealers, as agent, underwriter or principal, at prices and commissions to be agreed upon, for sale to the public at prices to be negotiated with purchasers. Sale prices may vary during the distribution period and as between purchasers. We may also offer the Covered Bonds to purchasers directly, pursuant to applicable law, at prices and on terms to be negotiated. The applicable Final Terms (as defined herein) set out in a pricing supplement will identify each Dealer engaged in connection with the offering and sale of any Covered Bonds, and will also set forth the terms of the offering of such Covered Bonds including the net proceeds to us and, to the extent applicable, any fees payable to the Dealers. RBC DS will be involved in the decision to distribute Covered Bonds hereunder and in the determination of the terms of each particular offering of Covered Bonds. **RBC DS is our wholly owned subsidiary. Consequently, we are a related and connected issuer of RBC DS within the meaning of applicable securities legislation.** See “Plan of Distribution” in this prospectus supplement.

In compliance with applicable Canadian securities laws, we have filed an undertaking with the securities regulators in each province and territory of Canada that we will not distribute any Covered Bonds that are considered novel specified derivatives (as such terms are defined under applicable Canadian securities laws) at the time of distribution without preclearing with such securities regulators the disclosure contained in the prospectus supplements or pricing supplements pertaining to such Covered Bonds. If the Bank decides to offer Covered Bonds that are considered derivatives in Québec, it will comply with the applicable provisions of the Derivatives Act (Québec). This prospectus supplement does not qualify the distribution in Québec of Covered Bonds that are derivatives under Québec law.

Pursuant to exemptive relief that we have obtained from the Canadian securities regulatory authorities, we are not required to prepare separate audited annual and unaudited interim financial statements for the Guarantor LP or to provide certain other financial disclosure prescribed by applicable securities law for a “credit supporter”.

**It is not currently anticipated that the Covered Bonds will be listed on or traded over any stock exchange or quotation system and, consequently, there is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospectus supplement in the secondary market. This may affect the pricing of the securities, transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “Risk Factors”.**

In this prospectus supplement, unless otherwise specified, all dollar amounts are expressed in Canadian dollars.

Any offering of Covered Bonds is subject to approval of certain legal matters on our behalf by Norton Rose Fulbright Canada LLP and on behalf of the Dealers by McCarthy Tétrault LLP.

## Table of Contents

<b><u>Prospectus Supplement</u></b>	<b><u>Page</u></b>	<b><u>Page</u></b>	
Prospectus for Covered Bonds.....	IV	Plan of Distribution .....	V
Documents Incorporated by Reference.....	IV	Risk Factors .....	VI
Caution Regarding Forward-Looking Statements .....	IV	Secondary Market for Covered Bonds.....	VI
Eligibility For Investment.....	IV	Material Contracts .....	VI
Use of Proceeds .....	V	Legal Matters.....	VI
Description of the Covered Bonds.....	V	Certificate of the Dealers .....	VII
<b><u>Base Shelf Prospectus</u></b>	<b><u>Page</u></b>	<b><u>Page</u></b>	
Caution Regarding Forward-Looking Statements .....	3	Earnings Coverage.....	9
Royal Bank of Canada .....	4	Plan of Distribution .....	10
Documents Incorporated by Reference.....	4	Risk Factors .....	10
Share Capital and Subordinated Indebtedness .....	5	Use of Proceeds .....	12
Description of Common Shares of the Bank .....	6	Exemption.....	12
Description of the Securities that May be Offered		Legal Matters.....	12
under this Prospectus.....	6	Statutory Rights of Withdrawal and Rescission .....	12
Book-Entry-Only Securities .....	8	Certificate of the Bank.....	13
Bank Act Restrictions .....	9		

In this prospectus supplement, unless the context otherwise indicates, the “Bank,” “we,” “us” or “our” means Royal Bank of Canada together, where the context requires, with its subsidiaries.

### Prospectus for Covered Bonds

Each series or tranche of Covered Bonds issued under our Covered Bond Programme will be described in four separate documents: (1) the base shelf prospectus, (2) this prospectus supplement which establishes the Covered Bond Programme for purposes of distributions in Canada, (3) a further prospectus supplement to be filed providing additional disclosure in respect of the Covered Bond Programme, as the same may be amended or supplemented from time to time (the “**programme supplement**”); and (4) the specific terms of each series or tranche of Covered Bonds (including pricing information) to be described in a pricing supplement. In respect of any particular Covered Bonds we may offer under our Covered Bond Programme, the base shelf prospectus and this prospectus supplement together with the programme supplement and the applicable pricing supplement will collectively constitute the “prospectus” for such Covered Bonds. Since the specific terms of Covered Bonds that we may offer described in the applicable pricing supplement may differ from the general information provided in the base shelf prospectus, this prospectus supplement and the programme supplement, in all cases you should rely on the information in the applicable pricing supplement where it differs from that in the base shelf prospectus, this prospectus supplement or the programme supplement.

### Documents Incorporated by Reference

This prospectus supplement is deemed to be incorporated by reference into the base shelf prospectus solely for the purpose of our Covered Bond Programme and the Covered Bonds issued hereunder. Other documents are also incorporated or deemed to be incorporated by reference into the base shelf prospectus and reference should be made to the base shelf prospectus and the applicable pricing supplement for full particulars.

**Any statement contained in a document incorporated or deemed to be incorporated by reference in the base shelf prospectus or this prospectus supplement is deemed to be modified or superseded, for purposes of this prospectus supplement, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference in the base shelf prospectus or this prospectus supplement modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.**

### Caution Regarding Forward-Looking Statements

See “Caution Regarding Forward-Looking Statements” in the programme supplement and applicable pricing supplement for any Covered Bonds offered.

### Eligibility For Investment

Unless otherwise disclosed in the applicable pricing supplement, in the opinion of our counsel, Norton Rose Fulbright Canada LLP, Covered Bonds issued under our Covered Bond Programme, if issued on the date of this prospectus supplement, would be qualified investments under the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder for trusts governed by registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), registered education savings plans, registered disability savings plans, deferred profit sharing plans and tax-free savings accounts (“**TFSAs**”) (other than trusts governed by deferred profit sharing plans for which any employer is the Bank, or a corporation with which we do not deal at arm’s length within the meaning of the Tax Act). The Covered Bonds will not be a “prohibited investment” for a trust governed by a TFSA, RRSP or RRIF unless the holder of such TFSA or the annuitant of such RRSP or RRIF, as applicable, (i) does not deal at arm’s length with the Bank for purposes of the Tax Act, or (ii) has a “significant interest” as defined in the Tax Act in the Bank. Holders of a TFSA and annuitants of an RRSP or RRIF should consult their own tax advisors with respect to whether the Covered Bonds would be prohibited investments in their particular circumstances.

## Use of Proceeds

The Covered Bonds will be sold in the normal course of our business and the net proceeds used for general banking purposes.

## Description of the Covered Bonds

The Covered Bonds will be issued under the base shelf prospectus, this prospectus supplement, the programme supplement and the applicable pricing supplement which will contain the Final Terms (as defined in the programme supplement, and referred to herein as the “**Final Terms**”).

The Conditions (as defined and set forth in the programme supplement) will apply to Covered Bonds issued pursuant to this prospectus as supplemented, modified or replaced by the applicable Final Terms.

Unless otherwise indicated in any applicable Final Terms, the Covered Bonds will be issued in “book-entry only” form and must be purchased or transferred through participants in the depository service of CDS Clearing and Depository Services Inc. See “Book-Entry Only Securities” in the base shelf prospectus.

The Bank will provide information to holders of Covered Bonds in the form of Investor Reports, which will be available on the Bank’s website at [www.rbc.com/investorrelations/covered-bonds.html](http://www.rbc.com/investorrelations/covered-bonds.html) and on SEDAR. The then most recently published Investor Report will be incorporated by reference in the applicable pricing supplement.

General information about the Bank, the Covered Bond Programme and the Covered Bonds can be located on the Bank’s website at [www.rbc.com/investorrelations/covered-bonds.html](http://www.rbc.com/investorrelations/covered-bonds.html) and through CMHC’s covered bond registry at [www.cmhc-schl.gc.ca/coveredbonds](http://www.cmhc-schl.gc.ca/coveredbonds). All internet references in this prospectus supplement are inactive textual references and the Bank has not incorporated website contents into this prospectus supplement.

Other than regulatory capital requirements applicable to us, there is no limit on the amount of indebtedness we may issue. In the case of covered bonds, there is a regulatory capital requirement that the amount of all such covered bonds issued by us cannot exceed 4% of our total assets.

## Plan of Distribution

The Covered Bonds will be offered severally by one or more of the Dealers. Under the Dealer Agreement, the Covered Bonds may be purchased or offered at various times by certain of the Dealers, as agent, underwriter or principal at prices and commissions to be agreed upon, for sale to the public at prices to be negotiated with purchasers. Sale prices may vary during the distribution period and between purchasers. We may also offer the Covered Bonds to purchasers directly, pursuant to applicable law, at prices and terms to be negotiated. At the same time that a Dealer offers or Dealers offer the Covered Bonds, we may issue other debt securities.

Our wholly owned subsidiary, RBC DS, is one of the Dealers. **We are a related and connected issuer of RBC DS within the meaning of applicable securities legislation in connection with any offering of Covered Bonds hereunder.** RBC DS is expected to be involved in any decision to distribute Covered Bonds hereunder and in determining the terms of each particular offering of Covered Bonds. The terms of an offering of Covered Bonds will be settled by RBC DS as our agent. The pricing supplement applicable to each offering of Covered Bonds under our Covered Bond Programme will identify the specific Dealers, if any, offering the Covered Bonds and will specify at least one Dealer, other than RBC DS, that will have participated in the due diligence performed in respect of, but may not have participated in the structuring and pricing of, the offering of such Covered Bonds.

We or RBC DS, as agent on our behalf, may enter into arrangements to hedge our risks associated with our obligations under the Covered Bonds. We may agree that RBC DS may retain all or a portion of any profits, and may be required to compensate us for all or a portion of any losses, resulting from such hedging arrangements. RBC DS may also undertake to facilitate a secondary market for the Covered Bonds, if so specified in the applicable pricing supplement, including by purchasing Covered Bonds as principal and reselling such acquired Covered Bonds. RBC DS may receive a commission for acting as a Dealer in connection with the distribution of Covered Bonds hereunder and may earn a profit in connection with the acquisition or disposition of Covered Bonds acting as principal. In addition, RBC DS may receive a structuring fee in connection with structuring particular Covered Bonds, such fee to be specified in the applicable pricing supplement.

In connection with the offering of Covered Bonds, the Dealers may over-allot or effect transactions which stabilize or maintain the market price of the Covered Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

We may withdraw, cancel or modify any offer made hereby without notice and may reject orders in whole or in part (whether placed directly with us or through the Dealers). Each Dealer may, in its discretion reasonably exercised, reject in whole or in part any order to purchase Covered Bonds received by it.

The Covered Bonds are not, and will not be, registered under the U.S. Securities Act and the Dealers have agreed not to (1) buy or offer to buy, (2) sell or offer to sell, or (3) solicit any offer to buy any notes as part of any distribution hereunder in the United States, its territories, its possessions and other areas subject to its jurisdiction or to, or for the account of, a U.S. person, except pursuant to exemptions from the U.S. Securities Act. In addition, except as described in any applicable Final Terms, the selling restrictions set out under “Subscription and Sale and Transfer and Selling Restrictions” in the program supplement or the applicable pricing supplement will apply to each offering of Covered Bonds.

### **Risk Factors**

The terms and conditions of Covered Bonds that may be offered under our Covered Bond Programme may introduce specific risks and investor concerns which a potential investor should carefully consider before reaching an investment decision. In addition to the risks described in the base shelf prospectus under the heading “Risk Factors”, risks specific to any Covered Bonds offered will be described under similar headings in the applicable prospectus supplement or pricing supplement. Potential investors should, in consultation with their own financial and legal advisers, carefully consider, among other matters, such risks before deciding whether an investment in the Covered Bonds is suitable. The Covered Bonds are not a suitable investment for a prospective purchaser who does not understand their terms or the risks involved in holding the Covered Bonds.

### **Secondary Market for Covered Bonds**

Unless otherwise indicated in any applicable Final Terms, the Covered Bonds will not be listed on any securities exchange. Each of the Dealers may from time to time purchase and sell Covered Bonds in the secondary market, but no Dealer is obligated to do so, and there is no assurance that there will be a secondary market for the Covered Bonds or liquidity in the secondary market if one develops. From time to time, each of the Dealers may make a market in the Covered Bonds, but the Dealers are not obligated to do so and may discontinue any market-making activity at any time.

### **Material Contracts**

Copies of all material contracts, including the applicable Transaction Documents (as defined in the programme supplement), entered into and the Dealer Agreement entered into in connection with Covered Bonds issued under this prospectus supplement and the Dealer Agreement, may be viewed on SEDAR at [www.sedar.com](http://www.sedar.com) and at the Bank’s website at [www.rbc.com/investorrelations/fixed\\_income/covered-bonds.html](http://www.rbc.com/investorrelations/fixed_income/covered-bonds.html).

### **Legal Matters & Interests of Experts**

Certain legal matters in connection with the offering of any Covered Bonds will be passed upon on our behalf by Norton Rose Fulbright Canada LLP and on behalf of the Dealers by McCarthy Tétrault LLP. Designated professionals of each of Norton Rose Fulbright Canada LLP and McCarthy Tétrault LLP, as a group, own beneficially, directly and indirectly, as of the date hereof, less than 1% of the securities of the same class of securities of the Bank. The Bank’s auditor, Deloitte LLP, reports that it is independent of the Bank within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

## Certificate of the Dealers

Dated: March 9, 2015

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, will, as of the date of the last supplement to the prospectus relating to the securities offered by the prospectus and the supplement, constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and the supplement as required by the securities legislation of all provinces and territories of Canada.

RBC DOMINION SECURITIES INC.

(signed)

*“Peter Hawkrigg”*