VIEWPOINT 2026 NOV 19

RBC Insurance Announces SRIA Guaranteed Interest Rate for 2027

WESTWARD'S VIEWPOINT

On November 1, 2026, RBC Insurance **(RBCI)** announced the Smoothed Return Investment Account **(SRIA) interest rate guaranteed for calendar 2027 is 3.40%**, unchanged from 2026 and 2025 *(announcement attached).*

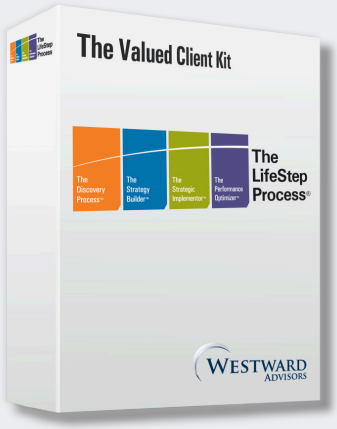
The SRIA interest rate lags the performance of the underlying Reference Portfolio. For example, the Reference Portfolio incurred a net loss of 6.9% in 2022 causing a drop in the SRIA interest rate from 4.1% in 2022 to 3.0% in 2023.

RBCI reports that the compound annual growth rate of the Reference Portfolio from January 1, 2014 to August 31, 2026 is 3.93% versus 4.12% for the SRIA. The Reference Portfolio performance shortfall versus the SRIA likely contributed to RBCI's decision to defer an increase in the SRIA rate in 2027 despite the strong performance of the Reference Portfolio relative to the SRIA rate since 2022.

32% of the Reference Portfolio is composed of fixed income loans secured by SRIA account values. The gross return on the loans is 5.40% in 2026 and 5.35% in 2027.

68% of the Reference Portfolio is composed of the RBC Select Conservative Portfolio - RBF461 Series A mutual fund.

For more information, clients can contact their Account Manager or Wayne Stone at waynes@westwardadvisors.com.



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RBC INSURANCE SRIA INVESTMENT ACCOUNT

The SRIA is an investment account option in certain RBCI Security Fund universal life insurance policies. Interest credited to the SRIA is determined by reference to the underlying **Reference Portfolio.** Each year, RBCI measures the cumulative performance of the Reference Portfolio to August 31 to set the guaranteed SRIA interest rate for the following calendar year. The SRIA rate is based on the returns of the Reference Portfolio to which RBCI applies a smoothing formula to bring the gains and losses of the Reference Portfolio into the SRIA credited rate over time. The smoothing process reduces the impact of market volatility and provides a more stable credited rate from year to year.

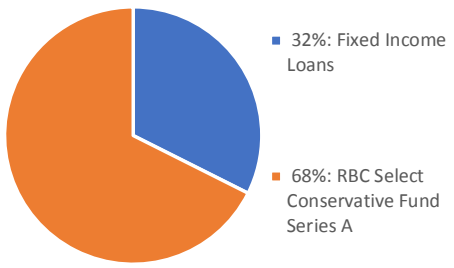
HISTORICAL PERFORMANCE

RBCI reports the historical performance of the Reference Portfolio as follows and we compare it in this table to the historical annual SRIA interest rates:

Year	REFERENCE PORTFOLIO RETURNS			SRIA Rate	Over (Under) Credited
	Gross	Fee	Net		
2014	6.42%	1.66%	4.76%	4.75%	(0.01%)
2015	6.24%	1.66%	4.58%	4.75%	0.17%
2016	6.18%	1.67%	4.51%	4.75%	0.24%
2017	6.21%	1.69%	4.52%	4.75%	0.23%
2018	3.37%	1.71%	1.66%	4.75%	3.09%
2019	7.56%	1.72%	5.84%	4.25%	(1.59%)
2020	7.40%	1.73%	5.67%	4.10%	(1.57%)
2021	6.52%	1.76%	4.76%	4.10%	(0.66%)
2022	(5.10%)	1.77%	(6.87%)	4.10%	10.97%
2023	6.73%	1.77%	4.96%	3.00%	(1.96%)
2024	8.55%	1.77%	6.78%	3.25%	(3.53%)
2025	7.41%	1.77%	5.64%	3.40%	(2.24%)
2026 (to Aug 31)	7.41%	1.77%	5.64%	3.40%	(2.24%)
Average	**5.66%**	**1.73%**	**3.93%**	**4.12%**	

REFERENCE PORTFOLIO COMPOSITION

RBCI reports the Reference Portfolio market value was $1.71 billion as of August 31, 2026, composed as follows:



See attached August 31, 2026 RBCI Smoothed Return Reference Portfolio Performance Update for more details.

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Insurance

November 2026

RBC Insurance would like to make the following announcements related to the Security Fund product for 2027.

Effective January 1, 2027:

(a) The credited rate for the Smoothed Return Investment Account will hold at 3.4%, and

(b) The loan rate for Annual Rate Policy Loans and associated Credit Facilities will decrease to 5.35%.

Please review this communication for additional details.

Smoothed Return Investment Account (SRIA)

RBC Insurance resets the Base Interest Rate for the SRIA on each January 1st referencing the returns of the Reference Portfolio and our smoothing process. The smoothing process is used to reflect the gains and losses of the Portfolio, net of the Management Fee, in the Base Interest Rate over time. For 2027 the Base Interest Rate has been set at 3.4%.

Loan Rate

For 2027, the loan rate for Annual Rate Policy Loans and for Credit Facilities (facilities for which the policy has been pledged to RBC Insurance as collateral) will be 5.35%. This loan rate is equal to the 2027 SRIA Base Interest Rate of 3.4% + 1.65% plus the 2027 Smoothing Adjustment Factor of 0.30%.

The Smoothing Adjustment Factor is a factor that is determined by the company to adjust the rate of interest used to calculate the Interest Payable in Advance for Annual Rate Policy Loans and the Security Deposit for Credit Facilities. The Smoothing Adjustment Factor is the mechanism which the company uses to pass on cumulative gains/losses of the Portfolio to the borrower.

For more information on the Reference Portfolio, please see the next section. Beginning on January 1, 2027, the rates discussed in this bulletin will be published on our website in the weekly rate sheet.

Reference Portfolio

Inception Date: January 1st, 2014

The Reference Portfolio is comprised of a mix of assets that the company manages and tracks with the objective of maintaining a stable long-term credited rate for the Smoothed Return Investment Account (SRIA) under the Security Fund universal life plan. Policy owners with funds allocated to the SRIA do not own assets in the Reference Portfolio.

RBC Smoothed Return Reference Portfolio Performance Update

RBC Insurance

August 31st, 2026

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In Security Fund universal life policies, interest credited to the Smoothed Return Investment Account is determined by reference to the Smoothed Return Reference Portfolio (Reference Portfolio). Before the end of each calendar year, the credited rate for the Smoothed Return Investment Account is set for the upcoming calendar year. This credited rate is based on the notional net returns of the Reference Portfolio to which the company applies a smoothing process. This smoothing process brings the gains and losses of the Reference Portfolio into the credited rate over time, in order to provide a smoothed credited rate from year to year.

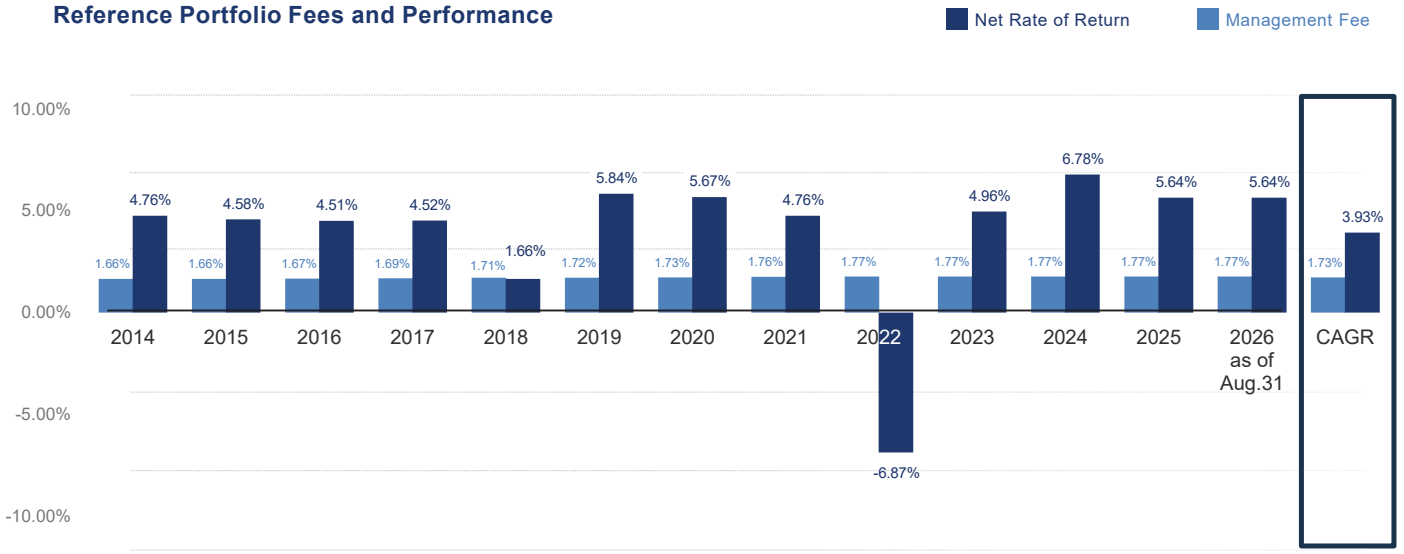
The Reference Portfolio is composed of four reference assets:

- fixed income loans
- the RBC Select Conservative Portfolio, Series A, which is a combination of cash, fixed income and equities
- the RBC Short Term Income Fund – Series A, and
- cash

A. Reference Portfolio Facts

Total value of the Reference Portfolio as of August 31st, 2026: **$1.71 Billion**

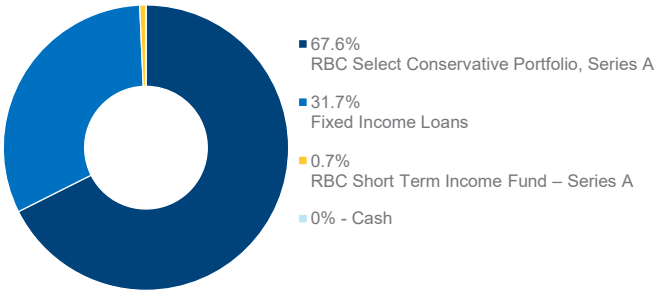
Reference Portfolio Fees and Performance



* Compound Annual Growth Rate January 1st, 2014 – August 31st, 2026

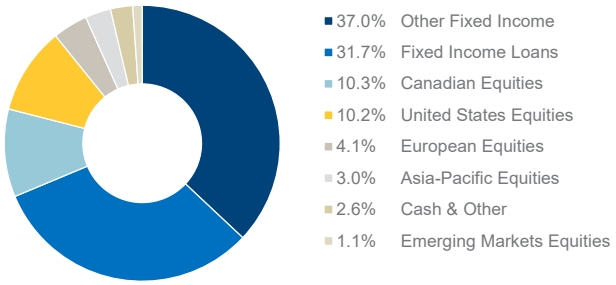
Composition of Reference Portfolio by Four Reference Assets

(August 31st, 2026)



Composition of Reference Portfolio by Asset Classes

(August 31st, 2026)



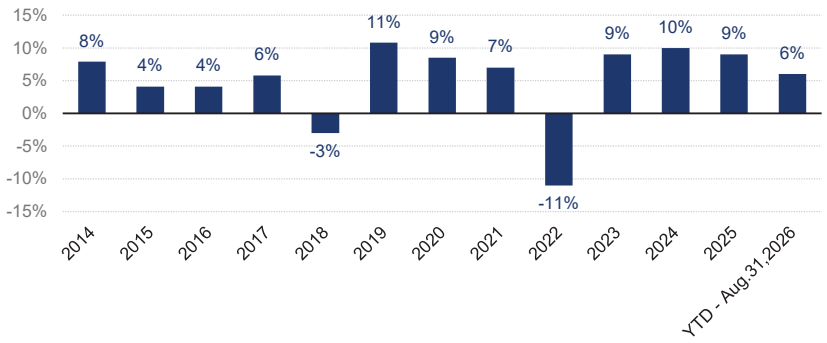
B. RBC Select Conservative Portfolio Reference Asset

Reference Fund: RBC Select Conservative Portfolio, Series A, Managed by RBC Global Asset Management

Objective of Portfolio*:

This portfolio is a strategic asset allocation fund. It focuses on providing income and the potential for moderate capital growth. It does this by maintaining a balance of investments across several asset classes. The portfolio invests primarily in units of other funds managed by RBC GAM or an affiliate of RBC GAM (called the underlying funds), emphasizing mutual funds that invest in Canadian fixed income securities and have the potential to generate income. It also invests in equity mutual funds, with an emphasis on Canadian equity funds and some exposure to U.S. and international equity funds.

RBC Select Conservative Portfolio (Series A) Performance



What does the fund invest in?

The underlying funds are managed by RBC GAM or an affiliate of RBC GAM. The portfolio manager uses strategic asset allocation as the principal investment strategy.

The following table shows you the target weighting for each asset class:

Fixed income	Canadian equities	U.S. equities	International equities
60%	13%	15%	12%

The percentages specified above are target weightings for each asset class. RBC GAM will manage the allocation so that it will be no more than 15% above or below the target weighting for the fixed income asset class, and no more than 10% above or below the target weighting for the Canadian equities, U.S. equities and international equities asset classes.

More helpful links on the RBC Select Conservative Portfolio:

Fund overview and Performance - Updated Monthly, also contains links to extensive documentation, including the following:

- Monthly Update
- Quarterly Update
- Portfolio Manager Commentary

* For full details on the fund, please refer to the prospectus at this link: RBC GAM Prospectus

C. Smoothed Return Investment Account Rate

The Base Interest Rate (credited rate) for the Smoothed Return Investment Account as of January 1, 2027: **3.4%**