

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC FOR THE ISSUE OF W&C SECURITIES DESCRIBED BELOW.**

**Pricing Supplement dated 8 June, 2018**



**ROYAL BANK OF CANADA**  
*(a Canadian chartered bank)*

Issue of 185,873 Warrants Linked to BNP PARIBAS due December 2018  
under the Programme for the Issuance of Securities

A summary of the specific risk factors is annexed to this Pricing Supplement.

The W&C Securities may not be distributed to non-qualified investors in or from Switzerland, as such terms are defined or interpreted under the Swiss Federal Act on Collective Investment Schemes ("**CISA**")

The W&C Securities are not subject to supervision by the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**"): None of the W&C Securities constitute a participation in a collective investment scheme within the meaning of the CISA and are neither subject to the authorisation nor the supervision by the FINMA and investors do not benefit from the specific investor protection provided under the CISA.

## **PART A – CONTRACTUAL TERMS**

Any person making or intending to make an offer of the W&C Securities may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of W&C Securities in any other circumstances.

This document constitutes the Pricing Supplement for the W&C Securities described herein. This document must be read in conjunction with the Structured Securities Base Prospectus dated 9 June, 2017 as supplemented by the supplementary prospectus dated 12 September 2017, 5 January 2018, 9 February 2018 and 5 March, 2018 which together constitute a base prospectus (the "**Base Prospectus**"). Terms used but not defined herein have the meaning given in the Base Prospectus. Full information on the Issuer and the offer of the

W&C Securities is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. Copies of the Base Prospectus may be obtained from the offices of the Issuer, Royal Bank Plaza, 200 Bay Street, 8<sup>th</sup> Floor, South Tower, Toronto, Ontario, Canada and the offices of the Issuing and Paying Agent, One Canada Square, London E14 5AL, England.

By investing in the W&C Securities each investor represents that:

(a) **Non-Reliance.** It is acting for its own account, and it has made its own independent decisions to invest in the W&C Securities and as to whether the investment in the W&C Securities is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer or any Dealer as investment advice or as a recommendation to invest in the W&C Securities, it being understood that information and explanations related to the Conditions of the W&C Securities shall not be considered to be investment advice or a recommendation to invest in the W&C Securities. No communication (written or oral) received from the Issuer or any Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the W&C Securities.

(b) **Assessment and Understanding.** It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms and conditions and the risks of the investment in the W&C Securities. It is also capable of assuming, and assumes, the risks of the investment in the W&C Securities.

(c) **Status of Parties.** Neither the Issuer nor any Dealer is acting as fiduciary for or adviser to it in respect of the investment in the W&C Securities.

- |   |   |
|---|---|
| 1. Issuer:                                | Royal Bank of Canada  |
| Branch of Account:                        | London  |
| 2. (i) Series Number:                     | 38646   |
| (ii) Tranche Number:                      | 1   |
| 3. Type of W&C Securities:                | (a) Warrants<br>(b) Equity Linked W&C   |
| 4. Issue Date:                            | Securities 8 June, 2018   |
| 5. Number of W&C Securities being issued: | The number of W&C Securities being issued is 185,873 at the amount of EUR 10,033,424.54   |
| 6. Business Day Centre(s):                | The applicable Business Day Centre(s) for the purposes of the definition of " <b>Business Day</b> " in Condition 3 is TARGET and New York |
| 7. Settlement:                            | Settlement will be by way of cash payment (" <b>Cash Settled</b> ") and/or physical delivery (" <b>Physical Delivery</b> ")               |

8. Cash Settlement Amount: If on any relevant Exercise Date, the Warrant-holder chooses to exercise the Warrants, or if the Warrants are subject to Automatic Exercise, then:
- (A) If the Final Price of the Reference Item is equal to or greater than the Lower Strike Price, then the Settlement will be **Physical Delivery** and the Securities shall be redeemed in exchange for the **Rounded Down Entitlement** plus the **Cash Fraction Payment**.
- (B) Otherwise, if Final Price of the Reference Item is less than the Lower Strike Price, the Entitlement Cash Value to be delivered to the investor is equal to and the Warrant ceases to exist.
- Where:
- “**Lower Strike Price**” means EUR 64.00
- “**Upper Strike Price**” means EUR 70.00
- “**Final Level**” means the Reference Level of the Equity on the Valuation Date
9. Issuer’s Option to vary settlement: The Issuer does not have the option to vary settlement in respect of the W&C Securities
10. Settlement Currency: EUR
11. Relevant RMB Settlement Centre: Not Applicable
12. Exchange Rate: Not Applicable
13. Calculation Agent (and address): Royal Bank of Canada, London Branch
- Riverbank House
- 2 Swan Lane
- London, EC4R 3BF
14. RMB Rate Calculation Agent (and address): Not Applicable
15. Issue Price: The issue price per W&C Security is EUR 0.4044
16. Minimum Trading Size: Not Applicable

## PROVISIONS RELATING TO EXERCISABLE CERTIFICATES AND WARRANTS

17. Type of Certificates/Warrants: Call Warrants
- The Exercise Period in respect of the W&C Securities is from and including 1 June, 2018 to and including 21 December, 2018 subject to relevant notification to the Calculation Agent at least 1 hour in advance of the Scheduled Closing Time of the relevant Exchange unless mutually agreed.
18. Settlement Date: 2 January, 2019
19. Units: Not Applicable
20. Exercise Price
- Upon exercise, the Entitlement Cash Value shall be determined in accordance with the following provisions:
- 1) If the Final Price is equal to or less than the Upper Strike Price, the Entitlement Cash Value shall be:  
**Entitlement Cash Value = No. Warrants x Max (0, Final Price – Lower Strike Price)**
  - 2) If the Final Price is greater than the Upper Strike Price, the Entitlement Cash Value shall be:  
**Entitlement Cash Value = No. Warrants x Upper Strike Price**
- subject to the minimum exercise amount of warrants
21. Automatic Exercise: Applicable
22. Minimum Exercise Number: The minimum number of W&C Securities that may be exercised on any day by any Holder is 1000 Warrants
23. Maximum Exercise Number: Not Applicable
24. Additional Amounts: Not Applicable
25. Issuer Call Option: Not Applicable
26. Notice periods for Early Cancellation for Taxation Reasons
- (i) Minimum Period: 30 days
  - (ii) Maximum Period: 60 day
27. Notice periods for Cancellation for Illegality:
- (i) Minimum Period: 30 days

(ii) Maximum Period	60 days
28. Trigger Early Exercise	Not Applicable

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#### PROVISIONS RELATING TO REDEEMABLE CERTIFICATES

29. Redemption Date	Not Applicable
30. Additional Amounts:	Not Applicable
31. Issuer Call Option:	Not Applicable
32. Notice periods for Early Cancellation for Taxation Reasons:	Not Applicable
33. Notice periods for Cancellation for Illegality:	Not Applicable
34. Trigger Early Redemption:	Not Applicable
35. Holder Put Option:	Not Applicable

#### PROVISIONS RELATING TO TYPES OF W&C SECURITIES

36. Multi-Reference Item Linked W&C Securities	Not Applicable
37. Currency Linked W&C Securities	Not Applicable
38. Commodity Linked W&C Securities:	Not Applicable
39. Index Linked W&C Security Provisions (Equity Indices only)	Not Applicable
40. Equity Linked W&C Security Provisions	Applicable
(i) Whether the W&C Securities relate to a Basket of Equities or a single Equity and the identity of the relevant Equity Issuer(s):	The Equity (a) Equity/Equities: Existing ordinary shares of the Equity Issuer (b) Equity Issuer: BNP PARIBAS (Bloomberg code: BNP FP Equity) (c) ISIN/Common Code: FR0000131104
(ii) Reference Price:	As set out in Condition 30.05
(iii) Averaging Date(s):	Not Applicable
(iv) Observation Period(s):	Not Applicable

(v) Observation Date(s):	Valuation Date
(vi) Valuation Date(s):	21 December 2018
(vii) Valuation Time:	Condition 30.05 applies
(viii) Specified Price:	Not Applicable
(ix) Disrupted Day:	Condition 30.05 applies
(x) Common Disrupted Days:	Applicable
(xi) Initial Price:	EUR 0.4044
(xii) Trade Date:	01 June 2018
(xiii) Potential Adjustment Events:	Condition 30.02(i) applies
(xiv) De-listing:	Applicable
(xv) Merger Event:	Applicable
(xvi) Nationalisation:	Applicable
(xvii) Insolvency:	Applicable
(xviii) Tender Offer:	Applicable
(xix) Additional Disruption Events:	Applicable Change in Law Hedging Disruption Increased Cost of Hedging Insolvency Filing
(xx) Equity Substitution:	Not Applicable
(xxi) Exchange(s):	EN Paris
(xxii) Related Exchange(s):	All Exchanges
(xxiii) Exchange Rate:	Not Applicable
(xxiv) Partial Lookthrough Depositary Receipt Provisions:	Not Applicable
(xxv) Full Lookthrough Depositary Receipt Provisions:	Not Applicable
(xxvi) Hedging Entity:	Not Applicable
(xxvii) Weighting:	Not Applicable
(xxviii) Other terms or special conditions:	Not Applicable
41. Fund Linked W&C Security Provisions	Not Applicable
42. Credit Linked W&C Security Provisions	Not Applicable
43. Interest Rate Linked Warrant Provisions	Not Applicable

**PROVISIONS FOR  
PHYSICAL DELIVERY**

	Applicable
44. Relevant Asset(s)	The Equity
45. Entitlement:	The Entitlement (as defined in Condition 3) in relation to each W&C Security is equal to: <b>Entitlement Cash Value / Final Price</b>
46 Cash Adjustment:	A cash payment will be made in respect of the fractional amount of the Entitlement, calculated in accordance with the following formula: <b>(Entitlement – Rounded Down Entitlement) × Final Price</b>  Where:  “ <b>Rounded Down Entitlement</b> ” means A number of the Reference Item equal to the Entitlement rounded down to the nearest integer.
47. Failure to Deliver due to Illiquidity:	Not Applicable
48. Delivery Agent:	Royal Bank of Canada, Royal Bank Plaza, 200 Bay Street, Toronto, Canada

**GENERAL**


44. Form of W&C Securities:	Registered Form: The W&C Securities are to be issued into and transferred through Euroclear and Clearstream, Luxembourg and will be represented by a Permanent Global W&C Security
45. Other final terms:	Not Applicable
46. Exchange Date:	On or after 40 calendar days following the Issue Date
47. The net issue proceeds of the Redeemable Certificates / Exercisable Certificates issued (for purposes of the Programme limit) has been translated into U.S. dollars at the rate of U.S.\$1.00 = [●], producing a sum of:	Not Applicable
48. The implied notional amount of the Warrants / Exercisable Certificates (for purposes of the Programme limit) has been translated into U.S. dollars at the rate of U.S.\$1.00 = [●], producing a sum of:	Not Applicable


49. Governing law (if other than the laws of the Province of Ontario and the federal laws of Canada applicable therein): English Law

50. Alternative Currency Payment: Not Applicable

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.  
Signed on behalf of the Issuer:

  
By: ..... **Ivan Browne**  
Duly authorised **Duly Authorised Signatory**

  
By: .....  
Duly authorised  
**Fabian de Prey**  
**Managing Director**



## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

Listing/Admission to trading: Application has been made for to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its Global Exchange Market.

### **2. RATINGS**

Ratings: Not Applicable

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

The Issue Price may include a fee or commission payable to a distributor or third party. Such fee or commission will be determined by reference to a number of factors including but not limited to the redemption or settlement date of the W&C Securities, hedging costs and legal fees. Further details in respect of the fee or commission are available upon request.

### **4. OPERATIONAL INFORMATION**

- (i) ISIN Code: CAC796057288
- (ii) Common Code: 183512528
- (iii) Any clearing system(s) other than Euroclear and Clearstream Luxembourg, their addresses and the relevant identification number(s): Not Applicable
- (iv) Delivery: Delivery free of payment
- (v) Clearing Agent: Not Applicable
- (vi) Name(s) and address(es) of Initial Paying Agents: The Bank of New York Mellon, London Branch  
One Canada Square  
London E14 5AL  
England
- (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable

**5. DISTRIBUTION**

- |   |  |
|---|--|
| (i) Method of distribution:                         | Non-Syndicated   |
| (ii) If syndicated, names of Managers:              | Not Applicable   |
| (iii) If non-syndicated, name of Dealer:            | RBC Europe Limited<br>Riverbank House, 2 Swan Lane<br>London EC4R 3BF<br>England |
| (iv) U.S. Selling Restrictions:                     | TEFRA rules not applicable   |
| (v) Canadian Sales:                                 | Canadian Sales Not Permitted   |
| (vi) Additional selling restrictions:               | Not Applicable   |
| (vii) Prohibition of Sales to EEA Retail Investors: | Not Applicable   |

**6. HIRE ACT WITHOLDING**

The W&C Securities are not Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986.