

# Annual Report

For the year ended September 30, 2017

U.S. Government Money Market Fund



Global Asset  
Management

# RBC Funds

## About Your Annual Report

This annual report includes detailed information about U.S. Government Money Market Fund (the "Fund") including financial statements, performance, and a complete list of holdings.

We hope the financial information presented will help you evaluate your investment in the Fund. We also encourage you to read your Fund's prospectus for further detail as to your Fund's investment policies and risk profile. Fund prospectuses and additional performance information are available on our website at [www.rbcgam.us](http://www.rbcgam.us).

A description of the policies and procedures that your Fund uses to determine how to vote proxies relating to portfolio securities is available (i) without charge, upon request, by calling 1-800-422-2766; (ii) on the Fund's website at [www.rbcgam.us](http://www.rbcgam.us); and (iii) on the Securities and Exchange Commission's ("Commission") website at <http://www.sec.gov>.

Information regarding how your Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available (i) on the Fund's website at [www.rbcgam.us](http://www.rbcgam.us); and (ii) on the Commission's website at <http://www.sec.gov>.

A schedule of the Fund's portfolio holdings will be filed with the Commission for the first and third quarters of each fiscal year on Form N-Q. This information is available on the Commission's website at <http://www.sec.gov> and may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room is available by calling 1-800-SEC-0330.

## Table of Contents

Letter from the Chief Investment Officer.....	1
Money Market Portfolio Manager.....	3
Performance Summary (Unaudited).....	4
Schedule of Portfolio Investments.....	6
Financial Statements	
- Statement of Assets and Liabilities.....	14
- Statement of Operations.....	16
- Statements of Changes in Net Assets.....	17
Financial Highlights.....	18
Notes to Financial Statements.....	20
Report of Independent Registered Public Accounting Firm.....	28
Other Federal Income Tax Information (Unaudited).....	29
Management (Unaudited).....	30
Supplemental Information(Unaudited).....	33
Approval of Investment Advisory Agreement (Unaudited).....	35

## LETTER FROM THE CHIEF INVESTMENT OFFICER

At RBC, we understand the high priority that our shareholders place on addressing their liquidity needs while striving to ensure their wealth is preserved. Throughout the past year, the U.S. Government Money Market Fund (the Fund) continued to provide a solid financial solution for our shareholders. In this context, we are pleased to also report that the Fund performed well during the year ended September 30, 2017 and in a manner that exceeded our performance benchmark.

The broader money market fund industry is gradually emerging from a long period of low market yields as the Federal Reserve (the Fed) continued to execute a number of interest rate hikes that began in December 2015. The Federal Open Market Committee is closely monitoring economic factors as it contemplates further rate hikes from here.

At this time, we believe that the Fed will continue on a gradual path of modest rate hikes. In our view, the more relevant theme is not the timing of rate hikes as much as the greater likelihood of a modest and measured trajectory of future rate normalization moves. The Fed has also announced its plans for a gradual normalization of its balance sheet that will reduce its holdings of agency mortgage-backed and U.S. Treasury securities.

Thank you for your continued confidence and trust in the RBC Funds.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Lee", is centered on a light gray rectangular background.

Michael Lee, CFA  
CEO, President and Chief Investment Officer  
RBC Global Asset Management (U.S.) Inc.

## LETTER FROM THE CHIEF INVESTMENT OFFICER

Past performance does not guarantee future results.

Opinions expressed are subject to change, not guaranteed, and not recommendations to buy or sell any security.

*You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so.*

*An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.*

## MONEY MARKET PORTFOLIO MANAGER

RBC Global Asset Management (U.S.) Inc. ("RBC GAM (US)"), serves as the investment advisor to the Fund. RBC GAM (US) employs a team approach to the management of the U.S. Government Money Market Fund, with no individual team member being solely responsible for the investment decisions. The Fund's management team has access to RBC GAM (US)'s investment research and other money management resources.

### **Brandon T. Swensen, CFA**

#### **Vice President, Co-Head, U.S. Fixed Income**

Brandon Swensen oversees RBC GAM (US)'s fixed income research, portfolio management and trading. In addition to shaping the firm's overall fixed income philosophy and process, he is a portfolio manager for several cash management and core solutions, including the U.S. Government Money Market Fund. Brandon joined RBC GAM (US) in 2000 and most recently was a portfolio manager on the mortgage and government team before being promoted to Co-Head. He also held research analyst positions covering asset-backed securities and credit and served as a financial analyst for the firm. Brandon earned a BS in finance from St. Cloud State University and an MBA in finance from the University of St. Thomas. He is a CFA charterholder and member of the CFA Society of Minnesota.



**Brandon T. Swensen,**  
CFA

## PERFORMANCE SUMMARY (UNAUDITED)

**Investment  
Objective**

The U.S. Government Money Market Fund was managed to preserve principal. This means that the share price of the Fund held steady at \$1.00. A consistent share price of \$1.00 is expected for a money market mutual fund. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund. These risks are more fully described in the prospectus.

	Total Return for the Year Ended September 30, 2017	SEC 7-Day Annualized Yield (1)	
		September 30, 2017	September 30, 2016
<b>U.S. Government Money Market Fund</b>			
RBC Institutional Class 1	0.60%	0.88%	0.42%
RBC Institutional Class 2	0.50%	0.78%	0.24%
RBC Investor Class	0.02%	0.06%	0.01%
RBC Reserve Class	0.01%	0.00%	0.01%
RBC Select Class	0.02%	0.00%	0.01%

- (1) As money market returns respond rapidly to market changes, such as in the Fed Funds rate, the 7-Day yield is a more accurate reflection of current earnings than the total return for the year. Prior year 7-Day yield information is provided for comparative purposes.

***Performance data quoted represents past performance. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than performance quoted. Performance shown reflects contractual fee waivers, without such fee waivers total returns would be reduced. For performance data current to most recent month-end go to [www.rbcgam.us](http://www.rbcgam.us).***

## PERFORMANCE SUMMARY (UNAUDITED)

### Money Market Maturity Schedule

*As a percentage of value of investments based on effective maturity as of September 30, 2017.*

	<b>U.S. Government Money Market Fund</b>
Less than 8 days	42.2%
8 to 14 Days	8.4%
15 to 30 Days	12.4%
31 to 180 Days	27.3%
Over 180 Days	9.7%

### Asset Allocation

SCHEDULE OF PORTFOLIO INVESTMENTS

U.S. Government Money Market Fund

September 30, 2017

Principal Amount		Value
<b>U.S. Government Agency Backed Corporate Bonds — 0.27%</b>		
<b>Information Technology — 0.27%</b>		
\$15,200,000	Net Magan Two LLC, 1.23%, 4/1/26, (LOC: Federal Home Loan Bank)(a)	\$15,200,000
<b>Total U.S. Government Agency Backed Corporate Bonds</b>		<b>15,200,000</b>
(Cost \$15,200,000)		
<b>U.S. Government Agency Backed Municipal Bonds — 4.30%</b>		
<b>California — 0.35%</b>		
2,105,000	Abag Finance Authority for Nonprofit Corps Gaia Buildings Revenue, Series A-T, 1.20%, 9/15/32, (Credit Support: Fannie Mae)(a)	2,105,000
17,600,000	California Statewide Communities Development Authority Kimberly Woods Revenue, Series B, 0.91%, 6/15/25, (Credit Support: Fannie Mae)(a)	17,599,122
		<u>19,704,122</u>
<b>Kentucky — 0.01%</b>		
290,000	Kentucky Housing Corp. Overlook Terraces Revenue, Series B, 1.20%, 11/15/40, (Credit Support: Fannie Mae)(a)	290,000
<b>New York — 3.94%</b>		
24,600,000	New York City Housing Development Corp. Multi Family 245 East 124th Street Revenue, 0.89%, 11/1/46, (Credit Support: Freddie Mac)(a)	24,599,262
6,660,000	New York City Housing Development Corp. Multi Family 941 Hoe Ave. Apartments Revenue, Series A, 0.89%, 6/15/37, (Credit Support: Fannie Mae)(a)	6,659,800
8,100,000	New York City Housing Development Corp. Multi Family Aldus Street Apartments Revenue, Series A, 0.91%, 6/15/37, (Credit Support: Fannie Mae)(a)	8,099,757
9,080,000	New York City Housing Development Corp. Multi Family Bruckner Revenue, Series A, 0.89%, 11/1/48, (Credit Support: Freddie Mac)(a)	9,079,728
14,700,000	New York City Housing Development Corp. Multi Family Morris Ave. Apartments Revenue, Series A, 0.89%, 10/15/38, (Credit Support: Fannie Mae)(a)	14,699,559
3,440,000	New York City Housing Development Corp. Multi Family Peter Cintron Apartments Revenue, Series A, 0.89%, 6/15/37, (Credit Support: Fannie Mae)(a)	3,439,897
6,500,000	New York City Housing Development Corp. Multi Family St Renaissance Court Revenue, Series A, 0.91%, 6/1/37, (Credit Support: Freddie Mac)(a)	6,499,805
5,990,000	New York City Housing Development Corp. Multi Family Villa Ave. Apartments Revenue, Series A, 0.89%, 5/15/39, (Credit Support: Fannie Mae)(a)	5,989,820
48,000,000	New York State Housing Finance Agency 600 West 42nd Street Revenue, 1.05%, 5/15/41, (Credit Support: Fannie Mae)(a)	47,998,811
16,000,000	New York State Housing Finance Agency Clinton Park Revenue, Series A, 0.98%, 11/1/44, (Credit Support: Freddie Mac)(a)	15,999,680



SCHEDULE OF PORTFOLIO INVESTMENTS

U.S. Government Money Market Fund (cont.)

September 30, 2017

Principal Amount		Value
\$ 46,950,000	New York State Housing Finance Agency Helena Housing Revenue, Series A, 1.05%, 5/15/36, (Credit Support: Fannie Mae)(a)	\$ 46,949,062
28,875,000	New York State Housing Finance Agency Revenue, Series A, 1.05%, 5/15/33, (Credit Support: Fannie Mae)(a)	28,874,423
1,560,000	New York State Housing Finance Agency Taxable Revenue, Series B, 1.16%, 5/15/33, (Credit Support: Fannie Mae)(a)	1,560,000
		<u>220,449,604</u>
<b>Total U.S. Government Agency Backed Municipal Bonds</b>		<b>240,443,726</b>
(Cost \$240,443,726)		
<b>U.S. Government Agency Obligations — 66.58%</b>		
<b>Fannie Mae — 13.82%</b>		
41,025,000	0.75%, 7/27/18	40,862,727
196,722,000	0.88%, 10/26/17	196,735,818
6,273,000	0.88%, 12/20/17	6,272,811
17,282,000	0.88%, 2/8/18	17,271,963
6,865,000	0.88%, 5/21/18	6,850,227
32,678,000	1.04%, 10/2/17(b)	32,678,000
175,000,000	1.04%, 10/2/17(b)	175,000,000
32,082,000	1.07%, 12/1/17(b)	32,024,787
26,000,000	1.08%, 10/2/17(b)	26,000,000
38,925,800	1.09%, 10/2/17(b)	38,925,800
52,407,000	1.09%, 1/2/18(b)	52,261,017
38,899,100	1.10%, 1/2/18(b)	38,790,247
1,040,000	1.10%, 3/12/18	1,039,596
2,000,000	1.10%, 3/13/18	1,999,045
2,156,000	1.13%, 10/19/18	2,150,283
1,034,771	1.23%, 3/26/18	1,033,983
3,131,615	(LIBOR USD 1-Month + 0.210%), 1.42%, 9/25/18(c)	3,132,041
1,936,730	1.45%, 2/25/18	1,936,702
613,421	(LIBOR USD 1-Month + 0.220%), 1.48%, 6/25/18(c)	613,415
4,350,032	(LIBOR USD 1-Month + 0.290%), 1.51%, 12/25/17(c)	4,350,019
9,970,569	(LIBOR USD 1-Month + 0.250%), 1.51%, 5/1/18(c)	9,970,894
2,038,219	1.51%, 12/25/17	2,037,323
3,301,854	(LIBOR USD 1-Month + 0.250%), 1.51%, 3/25/19(c)	3,302,952
2,607,227	1.55%, 4/25/18	2,606,602
478,819	(LIBOR USD 1-Month + 0.330%), 1.57%, 1/25/18(c)	478,935
1,259,736	(LIBOR USD 1-Month + 0.350%), 1.59%, 8/25/18(c)	1,260,607
354,517	(LIBOR USD 1-Month + 0.350%), 1.59%, 5/25/18(c)	354,623
10,902,678	1.63%, 2/25/18	10,901,714
10,799,025	(LIBOR USD 1-Month + 0.450%), 1.68%, 5/1/19(c)	10,799,025
50,846,000	1.88%, 9/18/18	51,144,378
		<u>772,785,534</u>
<b>Federal Farm Credit Bank — 9.74%</b>		
5,750,000	0.70%, 4/6/18	5,735,798

## SCHEDULE OF PORTFOLIO INVESTMENTS

### U.S. Government Money Market Fund (cont.)

September 30, 2017

Principal Amount		Value
\$50,000,000	0.71%, 10/3/17(b)	\$ 49,999,014
5,000,000	0.75%, 10/16/17	5,000,042
3,750,000	0.80%, 3/8/18	3,744,395
1,000,000	0.83%, 7/27/18	996,094
50,000,000	0.85%, 10/30/17(b)	49,966,944
4,000,000	0.88%, 6/25/18	3,989,371
3,000,000	0.93%, 3/14/18	2,996,959
7,850,000	1.13%, 3/19/18(b)	7,808,604
2,805,000	1.15%, 5/30/18	2,803,533
67,200,000	1.17%, 4/26/18(b)	66,750,096
1,650,000	1.22%, 6/25/18	1,649,742
20,000,000	1.22%, 4/24/18(b)	19,861,733
20,000,000	(LIBOR USD 3-Month - 0.030%), 1.24%, 9/18/18(c)	20,019,441
11,000,000	1.25%, 8/21/18(b)	10,876,632
15,000,000	(LIBOR USD 1-Month + 0.010%), 1.25%, 10/13/17(c)	14,999,410
1,400,000	(LIBOR USD 1-Month + 0.040%), 1.27%, 1/2/18(c)	1,399,681
5,150,000	(LIBOR USD 1-Month + 0.030%), 1.27%, 3/22/18(c)	5,147,082
3,240,000	(US Treasury Bill Yield 3-Month + 0.230%), 1.28%, 10/17/17(c)	3,239,879
8,500,000	(LIBOR USD 1-Month + 0.050%), 1.28%, 2/2/18(c)	8,498,281
4,000,000	(LIBOR USD 3-Month - 0.035%), 1.28%, 9/4/18(c)	4,003,629
50,000,000	(LIBOR USD 1-Month + 0.045%), 1.28%, 11/1/18(c)	50,002,727
6,180,000	(LIBOR USD 1-Month + 0.045%), 1.28%, 4/9/18(c)	6,180,514
25,000,000	(LIBOR USD 1-Month + 0.050%), 1.28%, 5/4/18(c)	25,003,112
16,340,000	(LIBOR USD 1-Month + 0.060%), 1.29%, 11/6/17(c)	16,339,641
49,600,000	(LIBOR USD 1-Month + 0.120%), 1.36%, 11/13/18(c)	49,633,581
25,000,000	(LIBOR USD 1-Month + 0.140%), 1.38%, 8/1/18(c)	24,999,972
25,000,000	(LIBOR USD 1-Month + 0.180%), 1.41%, 4/4/18(c)	24,998,730
4,670,000	(LIBOR USD 1-Month + 0.180%), 1.42%, 10/11/19(c)	4,692,300
50,000,000	(US Treasury Bill Yield 3-Month + 0.380%), 1.43%, 11/27/17(c)	49,998,455
1,000,000	1.95%, 9/17/18	1,006,037
2,500,000	5.05%, 11/15/17	2,511,713
		544,853,142

#### Federal Home Loan Bank — 29.95%

6,920,000	0.63%, 10/26/17	6,919,326
5,000,000	0.63%, 8/7/18	4,973,647
3,000,000	0.75%, 11/16/17	2,998,520
5,450,000	0.75%, 12/8/17	5,446,209
3,400,000	0.88%, 3/19/18	3,395,862
46,295,000	0.88%, 10/1/18	46,115,336
135,000	1.00%, 12/19/17	134,975
2,000,000	1.00%, 3/29/18	1,998,379
25,900,000	1.03%, 10/20/17(b)	25,886,662
400,000	1.03%, 10/27/17(b)	399,714
18,400,000	1.03%, 11/1/17(b)	18,384,283
1,580,000	1.03%, 11/13/17(b)	1,578,101
50,000,000	1.03%, 11/15/17(b)	49,937,056

SCHEDULE OF PORTFOLIO INVESTMENTS

U.S. Government Money Market Fund (cont.)

September 30, 2017

Principal Amount		Value
\$ 19,000,000	1.03%, 11/17/17(b)	\$ 18,974,994
1,500,000	1.03%, 11/24/17(b)	1,497,737
59,100,000	1.04%, 11/10/17(b)	59,033,734
200,000	1.04%, 11/13/17(b)	199,760
50,000,000	1.04%, 11/15/17(b)	49,936,506
70,750,000	1.04%, 11/17/17(b)	70,656,433
1,500,000	1.04%, 11/20/17(b)	1,497,887
50,000,000	1.04%, 11/21/17(b)	49,928,125
25,000,000	1.04%, 11/24/17(b)	24,961,906
16,800,000	1.04%, 12/7/17(b)	16,768,122
75,000,000	1.05%, 10/10/17(b)	74,982,500
2,600,000	1.05%, 12/22/17(b)	2,593,887
25,000,000	1.06%, 1/17/18(b)	24,921,236
25,000,000	1.07%, 10/12/17(b)	24,992,569
50,000,000	(LIBOR USD 1-Month - 0.150%), 1.08%, 12/15/17(c)	49,998,971
33,700,000	1.08%, 10/13/17(b)	33,688,879
8,800,000	1.08%, 10/20/17(b)	8,795,248
25,898,000	1.09%, 1/24/18(b)	25,808,609
2,000,000	1.13%, 4/17/18	1,998,906
14,865,000	1.13%, 9/14/18	14,844,925
24,900,000	1.14%, 3/9/18(b)	24,775,963
4,350,000	1.15%, 6/22/18	4,347,138
2,500,000	(LIBOR USD 3-Month - 0.160%), 1.16%, 5/24/19(c)	2,498,474
75,000,000	(LIBOR USD 1-Month - 0.070%), 1.17%, 7/12/19(c)	75,000,000
50,000,000	(LIBOR USD 1-Month - 0.060%), 1.17%, 8/7/19(c)	50,000,000
85,000,000	(LIBOR USD 1-Month - 0.060%), 1.17%, 9/18/19(c)	85,000,000
13,910,000	1.20%, 9/17/18	13,893,548
50,000,000	(LIBOR USD 3-Month - 0.100%), 1.21%, 11/17/17(c)	50,011,010
25,000,000	(LIBOR USD 3-Month - 0.090%), 1.22%, 11/6/17(c)	24,999,879
38,100,000	(LIBOR USD 3-Month - 0.100%), 1.22%, 11/15/17(c)	38,100,076
50,000,000	(LIBOR USD 3-Month - 0.080%), 1.23%, 10/30/17(c)	49,999,762
13,000,000	(LIBOR USD 3-Month - 0.070%), 1.24%, 12/12/17(c)	13,002,040
100,000,000	(LIBOR USD 1-Month), 1.24%, 6/19/18(c)	100,000,000
50,000,000	(LIBOR USD 3-Month - 0.065%), 1.25%, 12/5/17(c)	50,000,265
50,000,000	(LIBOR USD 3-Month - 0.040%), 1.25%, 12/22/17(c)	50,000,000
14,720,000	1.25%, 6/8/18	14,721,404
50,000,000	1.25%, 9/13/18	49,993,838
15,000,000	1.25%, 9/25/18	14,986,318
50,000,000	(LIBOR USD 3-Month - 0.035%), 1.27%, 1/8/18(c)	50,000,000
25,000,000	1.28%, 10/4/17(c)	24,999,986
100,000,000	(LIBOR USD 1-Month + 0.050%), 1.29%, 10/26/18(c)	100,000,000
1,200,000	1.30%, 8/14/18(b)	1,186,307
1,685,000	(LIBOR USD 1-Month + 0.070%), 1.30%, 12/7/17(c)	1,685,749
21,120,000	1.38%, 3/9/18	21,135,500
19,860,000	2.00%, 9/14/18	19,997,828
16,000,000	2.75%, 6/8/18	16,166,708
750,000	3.13%, 12/8/17	752,649
1,000,000	3.25%, 3/9/18	1,008,940

## SCHEDULE OF PORTFOLIO INVESTMENTS

### U.S. Government Money Market Fund (cont.)

September 30, 2017

Principal Amount		Value
\$ 2,070,000	5.00%, 11/17/17	\$ 2,080,150
		<u>1,674,592,536</u>
<b>Freddie Mac — 3.82%</b>		
28,419,000	0.75%, 1/12/18	28,391,051
3,424,000	0.88%, 3/7/18	3,419,546
25,000,000	(LIBOR USD 3-Month - 0.380%), 0.92%, 10/12/17(c)	24,999,462
1,220,000	1.00%, 12/15/17	1,219,812
2,150,000	1.00%, 6/29/18	2,146,029
1,000,000	1.00%, 6/29/18	998,154
10,355,000	1.25%, 6/22/18	10,352,575
15,000,000	(LIBOR USD 3-Month - 0.030%), 1.27%, 1/8/18(c)	15,000,000
35,000,000	(LIBOR USD 3-Month - 0.030%), 1.27%, 1/12/18(c)	35,000,000
1,590,000	(LIBOR USD 1-Month + 0.040%), 1.28%, 11/13/17(c)	1,590,416
7,965,000	1.30%, 7/16/18	7,964,903
2,000,000	1.30%, 9/18/18	2,000,710
3,150,000	(LIBOR USD 3-Month + 0.020%), 1.34%, 3/8/18(c)	3,150,616
4,822,000	2.30%, 9/1/18	4,847,572
22,910,354	2.70%, 5/1/18	23,014,632
24,575,060	3.88%, 11/25/17(a)	24,619,623
9,641,000	5.00%, 6/29/18	9,903,112
14,461,000	5.00%, 8/1/18	14,898,455
		<u>213,516,668</u>
<b>Overseas Private Investment Corp. — 9.25%</b>		
4,500,000	0.67%, 4/23/19(b)	4,513,317
3,700,000	0.89%, 11/17/17(b)	3,922,796
25,000,000	0.99%, 11/17/17(b)	25,216,308
921,600	(US Treasury Bill Yield 3-Month), 1.12%, 10/20/17(c)	921,600
10,666,667	(US Treasury Bill Yield 3-Month), 1.12%, 8/15/19(c)	10,666,667
2,000,000	(US Treasury Bill Yield 3-Month), 1.12%, 12/16/19(c)	2,000,000
5,000,000	(US Treasury Bill Yield 3-Month), 1.12%, 7/20/22(c)	5,000,000
8,695,652	(US Treasury Bill Yield 3-Month), 1.12%, 9/15/22(c)	8,695,652
21,600,000	(US Treasury Bill Yield 3-Month), 1.12%, 11/15/22(c)	21,600,000
3,101,754	(US Treasury Bill Yield 3-Month), 1.12%, 3/15/24(c)	3,101,754
1,140,351	(US Treasury Bill Yield 3-Month), 1.12%, 3/15/24(c)	1,140,351
9,818,283	(US Treasury Bill Yield 3-Month), 1.12%, 10/10/25(c)	9,818,283
9,729,830	(US Treasury Bill Yield 3-Month), 1.12%, 10/10/25(c)	9,729,830
14,000,000	(US Treasury Bill Yield 3-Month), 1.12%, 2/15/28(c)	14,000,000
15,000,000	(US Treasury Bill Yield 3-Month + 0.070%), 1.12%, 8/15/29(c)	15,000,000
26,509,434	(US Treasury Bill Yield 3-Month), 1.12%, 1/15/30(c)	26,509,434
13,800,000	(US Treasury Bill Yield 3-Month), 1.12%, 6/1/33(c)	13,800,000
7,000,000	(US Treasury Bill Yield 3-Month), 1.12%, 10/15/33(c)	7,000,000
1,500,000	(US Treasury Bill Yield 3-Month), 1.12%, 10/15/33(c)	1,500,000
12,695,155	(US Treasury Bill Yield 3-Month), 1.12%, 6/15/34(c)	12,695,155
9,295,283	(US Treasury Bill Yield 3-Month), 1.12%, 6/15/34(c)	9,295,283
12,000,000	(US Treasury Bill Yield 3-Month), 1.12%, 1/20/35(c)	12,000,000
15,000,000	(US Treasury Bill Yield 3-Month), 1.12%, 4/20/35(c)	15,000,000

## SCHEDULE OF PORTFOLIO INVESTMENTS

### U.S. Government Money Market Fund (cont.)

September 30, 2017

Principal Amount		Value
\$ 15,000,000	(US Treasury Bill Yield 3-Month), 1.12%, 7/7/40(c)	\$ 15,000,000
14,300,000	(US Treasury Bill Yield 3-Month), 1.12%, 7/7/40(c)	14,300,000
8,500,000	(US Treasury Bill Yield 3-Month), 1.12%, 7/7/40(c)	8,500,000
7,500,000	(US Treasury Bill Yield 3-Month), 1.12%, 7/7/40(c)	7,500,000
80,187,000	(US Treasury Bill Yield 3-Month), 1.13%, 9/15/20(c)	80,187,000
10,000,000	(US Treasury Bill Yield 3-Month), 1.13%, 6/15/25(c)	10,000,000
50,000,000	(US Treasury Bill Yield 3-Month), 1.13%, 2/15/28(c)	50,000,000
15,000,000	(US Treasury Bill Yield 3-Month), 1.13%, 11/15/28(c)	15,000,000
10,842,000	(US Treasury Bill Yield 3-Month), 1.15%, 5/15/30(c)	10,842,000
2,750,000	1.26%, 1/26/18(b)	2,821,564
27,170,000	1.28%, 1/7/18(b)	27,252,219
9,675,000	1.28%, 3/17/18(b)	9,760,886
25,000,000	1.30%, 1/12/18(b)	25,072,419
6,900,000	1.38%, 4/30/18(b)	6,940,285
816,667	2.19%, 4/30/18(b)	821,098
		517,123,901
<b>Total U.S. Government Agency Obligations</b>		<b>3,722,871,781</b>
(Cost \$3,722,871,781)		
<b>U.S. Treasury Obligations — 9.69%</b>		
<b>U.S. Treasury Notes — 9.69%</b>		
27,500,000	0.75%, 10/31/17	27,492,897
63,000,000	0.76%, 11/15/17(b)	62,941,182
85,000,000	0.88%, 10/15/17	85,005,224
25,000,000	0.88%, 1/15/18	24,993,049
10,000,000	1.03%, 11/30/17(b)	9,983,120
50,000,000	1.06%, 1/2/18(b)	49,863,981
43,000,000	1.07%, 11/15/17(b)	42,944,838
4,500,000	1.11%, 2/15/18(b)	4,481,445
51,475,000	(US Treasury Bill Yield 3-Month + 0.168%), 1.22%, 10/31/17(c)	51,471,768
15,000,000	1.25%, 5/15/18(b)	14,883,667
12,500,000	1.28%, 8/15/18(b)	12,360,804
30,065,000	(US Treasury Bill Yield 3-Month + 0.272%), 1.32%, 1/31/18(c)	30,067,169
125,000,000	1.88%, 10/31/17	125,114,587
		541,603,731
<b>Total U.S. Treasury Obligations</b>		<b>541,603,731</b>
(Cost \$541,603,731)		
<b>Repurchase Agreements — 17.44%</b>		
10,000,000	BNP Paribas Securities Corp., dated 9/29/17; due 10/2/17 at 1.02% with maturity value of \$10,000,850 (fully collateralized by a U.S. Treasury security with a maturity date of 12/31/21 at a rate of 2.00%, original par and fair value of \$10,073,500 and \$10,200,080, respectively)	10,000,000
<b>Total Value of BNP Paribas Securities Corp., (collateral value of \$10,200,080)</b>		<b>10,000,000</b>

## SCHEDULE OF PORTFOLIO INVESTMENTS

### U.S. Government Money Market Fund (cont.)

September 30, 2017

Principal Amount		Value
\$ 75,000,000	Citigroup Global, dated 9/26/17; due 10/3/17 at 1.01% with maturity value of \$75,014,729 (fully collateralized by a U.S. Treasury security with a maturity date of 8/31/23 at a rate of 1.38%, original par and fair value of \$79,290,100 and \$76,500,002, respectively)	\$ 75,000,000
125,000,000	Citigroup Global, dated 9/26/17; due 10/3/17 at 1.02% with maturity value of \$125,024,792 (fully collateralized by U.S. Treasury securities with maturity dates ranging from 8/15/21 to 11/15/42 at rates ranging from 2.75% to 8.13%, aggregate original par and fair value of \$108,166,200 and \$127,500,067, respectively)	125,000,000
125,000,000	Citigroup Global, dated 9/28/17; due 10/5/17 at 1.02% with maturity value of \$125,024,792 (fully collateralized by a U.S. Treasury security with a maturity date of 8/15/43 at a rate of 3.63%, original par and fair value of \$110,894,200 and \$127,500,079, respectively)	125,000,000
75,000,000	Citigroup Global, dated 9/28/17; due 10/5/17 at 1.03% with maturity value of \$75,015,021 (fully collateralized by U.S. Treasury securities with maturity dates ranging from 2/15/41 to 5/15/41 at rates ranging from 4.38% to 4.75%, aggregate original par and fair value of \$58,165,600 and \$76,500,037, respectively)	75,000,000
155,000,000	Citigroup Global, dated 9/29/17; due 10/2/17 at 1.07% with maturity value of \$155,013,821 (fully collateralized by Federal Home Loan Bank, Federal Farm Credit Bank and U.S. Treasury securities with maturity dates ranging from 2/15/21 to 2/23/37 at rates ranging from 2.40% to 7.88%, aggregate original par and fair value of \$147,111,800 and \$158,100,020, respectively)	155,000,000
50,000,000	Citigroup Global, dated 9/29/17; due 10/2/17 at 1.08% with maturity value of \$50,004,500 (fully collateralized by Ginnie Mae, Fannie Mae, Freddie Mac and U.S. Treasury securities with maturity dates ranging from 11/1/22 to 10/1/47 at rates ranging from 0.00% to 6.00%, aggregate original par and fair value of \$77,442,500 and \$51,000,000, respectively)	50,000,000
<b>Total Value of Citigroup Global, (collateral value of \$617,100,205)</b>		<b>605,000,000</b>
40,000,000	Goldman Sachs & Co., dated 9/29/17; due 10/2/17 at 1.01% with maturity value of \$40,003,367 (fully collateralized by Fannie Mae and Freddie Mac securities with maturity dates ranging from 10/1/18 to 5/1/56 at rates ranging from 2.00% to 7.00%, aggregate original par and fair value of \$190,364,294 and \$40,800,000, respectively)	40,000,000
<b>Total Value of Goldman Sachs &amp; Co., (collateral value of \$40,800,000)</b>		<b>40,000,000</b>
20,000,000	Merrill Lynch, Pierce, Fenner, Smith, dated 9/29/17; due 10/2/17 at 1.07% with maturity value of \$20,001,783 (fully collateralized by a Freddie Mac security with a maturity date of 10/1/32 at a rate of 3.00%, original par and fair value of \$19,778,704 and \$20,400,000, respectively)	20,000,000

## SCHEDULE OF PORTFOLIO INVESTMENTS

### U.S. Government Money Market Fund (cont.)

September 30, 2017

Principal Amount		Value
	<b>Total Value of Merrill Lynch, Pierce, Fenner, Smith, (collateral value of \$20,400,000)</b>	\$ 20,000,000
150,000,000	Wells Fargo Securities, dated 9/29/17; due 10/2/17 at 1.05% with maturity value of \$150,013,125 (fully collateralized by U.S. Treasury securities with maturity dates ranging from 12/28/17 to 2/15/43 at rates ranging from 0.00% to 1.25%, aggregate original par and fair value of \$153,424,900 and \$153,000,081, respectively)	150,000,000
150,000,000	Wells Fargo Securities, dated 9/29/17; due 10/2/17 at 1.06% with maturity value of \$150,013,250 (fully collateralized by a Fannie Mae security with a maturity date of 7/1/47 at a rate of 3.50%, original par and fair value of \$149,069,225 and \$153,000,001, respectively)	150,000,000
	<b>Total Value of Wells Fargo Securities, (collateral value of \$306,000,082)</b>	300,000,000
	<b>Total Repurchase Agreements</b>	<b>975,000,000</b>
	(Cost \$975,000,000)	
	<b>Total Investments</b>	<b>\$5,495,119,238</b>
	(Cost 5,495,119,238)(d) — 98.28%	
	<b>Other assets in excess of liabilities — 1.72%</b>	<b>96,443,007</b>
	<b>NET ASSETS — 100.00%</b>	<b><u>\$5,591,562,245</u></b>

- (a) Variable or floating rate security, which interest rate adjusts periodically based on changes in current interest rates and prepayments on the underlying pool of assets. Rate shown is the rate in effect as of period end.
- (b) Represents effective yield to maturity on date of purchase.
- (c) Variable rate security. The rate reflected in the Schedule of Portfolio Investments is the rate in effect on September 30, 2017. The maturity date represents the actual maturity date. The security's effective maturity resets periodically.
- (d) Tax cost of securities is equal to book cost of securities.

Abbreviations used are defined below:

LOC -Letter of Credit

**See Notes to Financial Statements.**

## FINANCIAL STATEMENTS

### Statement of Assets and Liabilities

September 30, 2017

	<b>U.S. Government Money Market Fund</b>
<b>Assets:</b>	
Investments, at value (cost \$5,495,119,238)	\$5,495,119,238*
Cash	185,352,020
Interest and dividends receivable	6,064,513
Prepaid expenses and other assets	118,282
Total Assets	<u>5,686,654,053</u>
<b>Liabilities:</b>	
Distributions payable	512,724
Payable for investments purchased	92,010,938
Accrued expenses and other payables:	
Investment advisory fees	448,549
Audit fees	24,194
Trustee fees	8,400
Distribution fees	1,729,212
Shareholder reports	25,477
Shareholder servicing fees	78,528
Transfer Agent fees	8,034
Other	245,752
Total Liabilities	<u>95,091,808</u>
Net Assets	<u>\$ 5,591,562,245</u>
<b>Net Assets Consist Of:</b>	
Capital	\$ 5,591,784,691
Distributions in excess of net investment income	(1)
Accumulated net realized losses from investment transactions	<u>(222,445)</u>
Net Assets	<u>\$ 5,591,562,245</u>
<b>Net Assets:</b>	
RBC Institutional Class 1	\$ 2,209,573,267
RBC Institutional Class 2	1,223,514,655
RBC Investor Class	2,158,474,323
RBC Reserve Class	—
RBC Select Class	—
Total	<u>\$ 5,591,562,245</u>



## Statement of Assets and Liabilities (cont.)

	<b>U.S. Government Money Market Fund</b>
<b>Shares Outstanding (Unlimited number of shares authorized, no par value):</b>	
RBC Institutional Class 1	2,209,632,760
RBC Institutional Class 2	1,223,549,410
RBC Investor Class	2,158,637,439
RBC Reserve Class	—
RBC Select Class	—
Total	<u><u>5,591,819,609</u></u>
<b>Net Asset Values and Redemption Price per Share:</b>	
RBC Institutional Class 1	<u><u>\$ 1.00</u></u>
RBC Institutional Class 2	<u><u>\$ 1.00</u></u>
RBC Investor Class	<u><u>\$ 1.00</u></u>
RBC Reserve Class	<u><u>N/A</u></u>
RBC Select Class	<u><u>N/A</u></u>

\* \$975,000,000 of which are repurchase agreements. See Schedule of Portfolio Investments for details.

**See Notes to Financial Statements.**

## FINANCIAL STATEMENTS

### Statement of Operations

For the Year Ended September 30, 2017

	<b>U.S. Government Money Market Fund</b>
<b>Investment Income:</b>	
Interest income	\$ 57,106,941
<b>Expenses:</b>	
Investment advisory fees	7,904,437
Distribution fees-RBC Institutional Class 2	1,373,681
Distribution fees-RBC Investor Class	11,720,127
Distribution fees-RBC Reserve Class	15,353,526
Distribution fees-RBC Select Class	9,632,313
Shareholder services administration fees-RBC Institutional Class 1	1,453,326
Accounting fees	395,222
Audit fees	37,598
Custodian fees	136,884
Insurance fees	90,509
Legal fees	518,878
Registration and filing fees	274,609
Shareholder reports	178,380
Transfer agent fees-RBC Institutional Class 1	27,159
Transfer agent fees-RBC Institutional Class 2	6,963
Transfer agent fees-RBC Investor Class	6,143
Transfer agent fees-RBC Reserve Class	5,149
Transfer agent fees-RBC Select Class	5,839
Trustees' fees	532,491
Other fees	427,981
Total expenses before fee reductions	50,081,215
Expenses reduced by:	
Distributor - Class Specific	(14,078,646)
Net Expenses	36,002,569
<b>Net Investment Income</b>	<u>21,104,372</u>
<b>Realized/Unrealized Gains from Investment Transactions:</b>	
Net realized gains from investment transactions	31,146
Change in net assets resulting from operations	<u>\$ 21,135,518</u>

See Notes to Financial Statements.

## FINANCIAL STATEMENTS

### Statements of Changes in Net Assets

	<b>U.S. Government Money Market Fund</b>	
	<b>For the Year Ended September 30, 2017</b>	<b>For the Year Ended September 30, 2016</b>
<b>From Investment Activities:</b>		
Operations:		
Net investment income	\$ 21,104,372	\$ 4,744,281
Net realized gains from investment transactions	31,146	1,535
Change in net assets resulting from operations	<u>21,135,518</u>	<u>4,745,816</u>
<b>Distributions from Net Investment Income</b>		
RBC Institutional Class 1 Shareholders	(16,004,154)	(3,066,828)
RBC Institutional Class 2 Shareholders	(4,972,564)	(707,498)
RBC Investor Class Shareholders	(279,121)	(73,662)
RBC Reserve Class Shareholders	(179,022)	(367,308)
RBC Select Class Shareholders	(229,649)	(221,007)
Change in net assets resulting from Distributions of Net Investment Income	<u>(21,664,510)</u>	<u>(4,436,303)</u>
<b>Capital Transactions:</b>		
Proceeds from shares issued	35,980,819,255	15,643,166,479
Distributions reinvested	13,341,013	2,927,421
Cost of shares redeemed	<u>(39,873,426,912)</u>	<u>(12,501,371,260)</u>
Change in net assets resulting from capital transactions	<u>(3,879,266,644)</u>	<u>3,144,722,640</u>
Net increase (decrease) in net assets	(3,879,795,636)	3,145,032,153
<b>Net Assets:</b>		
Beginning of year	9,471,357,881	6,326,325,728
End of year	<u>\$ 5,591,562,245</u>	<u>\$ 9,471,357,881</u>
Undistributed net investment income (distributions in excess of net investment income)	<u>\$ (1)</u>	<u>\$ 341,464</u>
<b>Share Transactions:</b>		
Issued	35,980,819,255	15,643,166,479
Reinvested	13,341,013	2,927,421
Redeemed	<u>(39,873,426,912)</u>	<u>(12,501,371,260)</u>
Change in shares resulting from capital transactions	<u>(3,879,266,644)</u>	<u>3,144,722,640</u>

See Notes to Financial Statements.

# U.S. Government Money Market Fund

(See notes to financial statements for details regarding the periods indicated)

	Net Asset Value, Beginning of Year	Net Investment Income	Net Realized/ Unrealized Gain/(Loss) on Investments	Total from Investment Activities	Net Investment Income	Total Distributions	Net Asset Value, End of Year
<b>RBC Institutional Class 1</b>							
Year Ended September 30, 2017	\$1.00	(a)(b)	(b)	(b)	(b)	(b)	\$1.00
Year Ended September 30, 2016	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2015	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2014	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2013	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
<b>RBC Institutional Class 2</b>							
Year Ended September 30, 2017	\$1.00	(a)(b)	(b)	(b)	(b)	(b)	\$1.00
Year Ended September 30, 2016	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2015	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2014	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2013	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
<b>RBC Investor Class</b>							
Year Ended September 30, 2017	\$1.00	(a)(b)	(b)	(b)	(b)	(b)	\$1.00
Year Ended September 30, 2016	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2015	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2014	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2013	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
<b>RBC Reserve Class</b>							
Period ended May 16, 2017(c)	\$1.00	(a)(b)	(b)	(b)	(b)	(b)	\$1.00
Year Ended September 30, 2016	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2015	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2014	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2013	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
<b>RBC Select Class</b>							
Period ended May 16, 2017(c)	\$1.00	(a)(b)	(b)	(b)	(b)	(b)	\$1.00
Year Ended September 30, 2016	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2015	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2014	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00
Year Ended September 30, 2013	1.00	(a)(b)	(b)	(b)	(b)	(b)	1.00

(a) Per share net investment income has been calculated using the average daily shares method.

(b) Less than \$0.01 or \$(0.01) per share.

(c) There were no RBC Reserve Class and RBC Select Class shares outstanding during the period from May 17, 2017 to September 30, 2017.

**See Notes to Financial Statements.**

## FINANCIAL HIGHLIGHTS

# FINANCIAL HIGHLIGHTS

U.S. Government Money Market Fund (cont.) (Selected data for a share outstanding throughout the periods indicated)

	Total Return(a)	Ratios/Supplemental Data			
		Net Assets, End of Year (millions)	Ratio of Net Expenses to Average Net Assets	Ratio of Net Investment Income to Average Net Assets	Ratio of Expenses to Average Net Assets*
<b>RBC Institutional Class 1</b>					
Year Ended September 30, 2017	0.60%	\$ 2,210	0.18%	0.55%	0.18%
Year Ended September 30, 2016	0.20%	2,074	0.17%	0.23%	0.18%
Year Ended September 30, 2015	0.01%	921	0.11%	0.01%	0.17%
Year Ended September 30, 2014	0.01%	1,173	0.09%	0.01%	0.17%
Year Ended September 30, 2013	0.01%	1,231	0.13%	0.01%	0.17%
<b>RBC Institutional Class 2</b>					
Year Ended September 30, 2017	0.50%	\$ 1,224	0.29%	0.54%	0.29%
Year Ended September 30, 2016	0.12%	663	0.26%	0.14%	0.28%
Year Ended September 30, 2015	0.01%	329	0.11%	0.01%	0.27%
Year Ended September 30, 2014	0.01%	299	0.09%	0.01%	0.27%
Year Ended September 30, 2013	0.01%	497	0.12%	0.01%	0.27%
<b>RBC Investor Class</b>					
Year Ended September 30, 2017	0.02%	\$ 2,158	0.87%	0.01%	1.15%
Year Ended September 30, 2016	0.01%	728	0.36%	0.01%	1.12%
Year Ended September 30, 2015	0.01%	705	0.12%	0.01%	1.12%
Year Ended September 30, 2014	0.01%	672	0.09%	0.01%	1.12%
Year Ended September 30, 2013	0.01%	795	0.13%	0.01%	1.12%
<b>RBC Reserve Class</b>					
Period ended May 16, 2017(b)	0.00%(c)	\$—	0.61%(d)	0.00%(d)	1.03%(d)
Year Ended September 30, 2016	0.01%	3,682	0.37%	0.01%	1.02%
Year Ended September 30, 2015	0.01%	2,705	0.12%	0.01%	1.02%
Year Ended September 30, 2014	0.01%	2,140	0.09%	0.01%	1.02%
Year Ended September 30, 2013	0.01%	2,288	0.13%	0.01%	1.02%
<b>RBC Select Class</b>					
Period ended May 16, 2017(b)	0.00%(c)	\$—	0.61%(d)	0.01%(d)	0.93%(d)
Year Ended September 30, 2016	0.01%	2,325	0.38%	0.01%	0.92%
Year Ended September 30, 2015	0.01%	1,666	0.12%	0.01%	0.92%
Year Ended September 30, 2014	0.01%	1,354	0.09%	0.01%	0.92%
Year Ended September 30, 2013	0.01%	1,313	0.13%	0.01%	0.92%

\* During the year, certain fees were contractually or voluntarily reduced and/or reimbursed. If such contractual/voluntary fee reductions and reimbursements had not occurred, the ratio would have been as indicated.

- (a) Assumes investment at net asset value at the beginning of the period, reinvestment of all dividends and distributions, and a complete redemption of the investment at net asset value at the end of the period.
- (b) There were no RBC Reserve Class and RBC Select Class shares outstanding during the period from May 17, 2017 to September 30, 2017.
- (c) Not Annualized.
- (d) Annualized.

**See Notes to Financial Statements.**

September 30, 2017

**1. Organization**

RBC Funds Trust (the "Trust") is registered under the Investment Company Act of 1940 (as amended) as an open-end management investment company. The Trust was organized as a Delaware statutory trust on December 16, 2003 and currently consists of 16 portfolios. Predecessor funds to the Trust were reorganized as portfolios of the Trust effective April 16, 2004. This report includes the U.S. Government Money Market Fund ("Fund").

The Fund offers five share classes: RBC Institutional Class 1, RBC Institutional Class 2, RBC Investor Class, RBC Reserve Class and RBC Select Class.

RBC Global Asset Management (U.S.) Inc. ("RBC GAM (US)" or "Advisor" or "Co-Administrator") acts as the investment advisor for the Fund. The officers of the Trust ("Fund Management") are also employees of RBC GAM (US).

**2. Significant Accounting Policies**

The Fund is an investment company that follows accounting and reporting guidance under the Financial Accounting Standards Board. Summarized below are the significant accounting policies of the Fund. These policies conform to accounting principles generally accepted in the United States of America ("US GAAP"). Fund Management follows these policies when preparing financial statements. Fund Management may also be required to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the period. Actual results could differ from those estimates. The financial statements are as of the close of regular trading on the New York Stock Exchange ("NYSE").

In March 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2017-08, Receivables-Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities. The amendments in the ASU shorten the amortization period for certain callable debt securities, held at a premium, to be amortized to the earliest call date. The ASU does not require an accounting change for securities held at a discount; which continues to be amortized to maturity. The ASU is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2018. Management is currently evaluating the impact, if any, of applying this provision.

**Security Valuation:**

The Fund has elected to use the amortized cost method to value its securities (other than other investment companies) pursuant to Rule 2a-7 of the Investment Company Act of 1940, as amended, which the Trust's Board of Trustees ("Board") believes approximates fair market value. The amortized cost method involves valuing a security initially at its cost and thereafter assuming a constant amortization to maturity of any discount or premium. Amortized cost approximates the current fair value of a security, but since the value is not obtained from a quoted price in an active market, securities valued at amortized cost are categorized as Level 2 in the fair value hierarchy (see "Fair Value Measurements" below for additional information). If amortized cost no longer approximates fair value due to credit or other impairments of an issuer, the Fund will determine the fair value of its securities by using pricing and valuation procedures approved by the Board. Investments in open-end investment companies (mutual funds) are valued at net asset value and are categorized as Level 1 in the fair value hierarchy.

The Board has delegated to the Fund's Pricing Committee ("Pricing Committee") the responsibility for implementing the pricing and valuation procedures, including responsibility for determining the fair value of the Fund's securities and other assets. The Pricing Committee includes representatives of the Fund's Advisor and Co-Administrator, including personnel from accounting and operations, investment management, trading, risk management, compliance and legal. The Pricing Committee meets at least quarterly to review and approve Fund valuation matters, including a review of the Fund's pricing activity and operations, fair value measurements, pricing vendors, policies and procedures, and related

controls. At least a quorum of the Pricing Committee shall meet more frequently, as needed, to consider and approve time-sensitive fair valuation matters. The Pricing Committee reports to the Valuation, Portfolio Management and Performance Committee ("Valuation Committee") of the Board. Members of the Pricing Committee meet with the Valuation Committee and the Board at each of their regularly scheduled meetings to discuss valuation matters and actions taken during the period.

In accordance with Rule 2a-7, the fair values of the securities held in the Fund are determined at least once per week using evaluated prices supplied by third-party pricing vendors approved by the Board. The pricing services utilize both dealer-supplied valuations and electronic data processing techniques that take into account appropriate factors such as institutional-sized trading in similar groups of securities, yield, quality, coupon rate, maturity and type of issue. These security values are then compared to the securities' amortized cost. If a security price is not available from a pricing service or broker-dealer, or Fund Management determines that a price provided by a pricing service or broker-dealer does not approximate fair value for purposes of this comparison, the security's fair value will be determined in good faith by the Pricing Committee in accordance with procedures and methodologies adopted by the Board. General factors used in determining the fair value of securities include, but are not limited to, fundamental analytical data relating to the security, the issuer and the market, such as duration, prepayment and default rates; general level of interest rates and changes in interest rates; information from broker-dealers; trading in similar securities; any restrictions on disposition of the security; and an evaluation of the forces that influence the market in which the investments are traded.

**Fair Value Measurements:**

The Fund discloses the fair value of investments in a hierarchy that categorizes investments based on the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date.
- Level 2 - Significant inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active. Observable inputs may include quoted prices for similar securities, interest rates, spreads, prepayment speeds, etc.
- Level 3 - Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those securities.

Inputs used in determining fair value of an investment may include, but are not limited to, price information, volatility statistics, credit and market data, and other factors, all of which may be either observable or unobservable. Inputs can vary among investments and will be impacted by the investment type and volume of activity for the particular security or similar securities in the market. Investments in the Level 3 category are generally supported by transactions and quoted prices from dealers participating in the market for those investments. Investments may be included in the Level 3 category due to a lack of market activity or transparency. Internal valuation models may also be used as a pricing source for Level 3 investments. Internal valuation models may rely on one or more unobservable inputs, such as estimated cash flows, financial statement analysis and discount rates.

## NOTES TO FINANCIAL STATEMENTS

The summary of inputs used to determine the fair value of the Fund's investments as of September 30, 2017 is as follows:

Fund	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Total
U.S. Government Money Market	\$—	\$5,495,119,238(a)(b)	\$—	\$5,495,119,238

(a) The breakdown of the Fund's investments by security type is disclosed in the Schedule of Portfolio Investments.

(b) The breakdown of the Fund's investments by state classification or political subdivision is disclosed in the Schedule of Portfolio Investments.

During the year ended September 30, 2017, the Fund recognized no transfers to/from Level 1 or 2. The Fund's policy is to recognize transfers between Level 1, Level 2 and Level 3 at the end of the year utilizing fair value at the beginning of the year.

### Financial Instruments:

#### Repurchase Agreements:

The Fund may enter into repurchase agreements with counterparties whom the Advisor has deemed creditworthy, including primary dealers that report to the Federal Reserve Bank of New York or other large U.S. commercial banks or broker-dealers. These repurchase agreements are subject to the seller's agreement to repurchase such securities at a mutually agreed upon date and price. The repurchase price generally equals the price paid by the Fund plus interest negotiated on the basis of current short-term rates.

Securities pledged by the dealers as collateral for repurchase agreements are held by a custodian bank until maturity of the repurchase agreement. The Fund has procedures to monitor additional collateral, if needed, to ensure that the daily market value of the collateral remains in excess of the market value of the repurchase agreement in the event of a default.

Master Repurchase Agreements ("MRA") permit the Fund, under certain circumstances including an event of default (such as bankruptcy or insolvency), to offset payables and/or receivables under the MRA with collateral held and/or posted to the counterparty and create one single net payment due to or from the Fund. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of a MRA counterparty's bankruptcy or insolvency. Pursuant to the terms of the MRA, the Fund receives securities as collateral with a market value in excess of the repurchase price to be received by the Fund upon the maturity of the repurchase transaction. Upon a bankruptcy or insolvency of the MRA counterparty, the Fund recognizes a liability with respect to such excess collateral to reflect the Fund's obligation under bankruptcy law to return the excess to the counterparty. Details of the counterparties and collateral for repurchase agreements are shown on the Schedule of Portfolio Investments.

#### Credit Enhancement:

Certain obligations held in the Fund have credit enhancement or liquidity features that may, under certain circumstances, provide for repayment of principal and interest on the obligation upon demand date, interest rate reset date or final maturity. These enhancements may include: letters of credit; liquidity guarantees; security purchase agreements; tender option purchase agreements; and third party insurance.

#### Investment Transactions and Income:

Investment transactions are accounted for on the date the security is bought or sold ("trade date"). Dividend income is recorded on the ex-dividend date. Realized gains and losses from investment transactions are calculated based on the costs of the specific security (also known as identified cost



## NOTES TO FINANCIAL STATEMENTS

basis). Interest income is recognized on the accrual basis and includes, where applicable, the amortization or accretion of premium and discount using the effective yield method.

### Expense, Investment Income and Gain/Loss Allocation:

The Fund pays the expenses that are directly related to its operations, such as custodian fees or investment advisory fees. Expenses incurred by the Trust, such as trustee or legal fees, are allocated among each of the Funds in the Trust either proportionately based upon the Fund's relative net assets or using another reasonable basis such as equally across all Funds, depending on the nature of the expense. Individual share classes within the Fund are charged expenses specific to that class, such as distribution fees and transfer agent fees. Within the Fund, expenses other than class specific expenses are allocated daily to each class based upon the proportion of relative net assets. Investment income and realized and unrealized gains or losses are allocated to each class of shares based on the proportion of relative net assets.

### Distributions to Shareholders:

The Fund pays out any income that it receives, less expenses, in the form of dividends and capital gain distributions to its shareholders. Income dividends are declared daily and paid monthly. Dividends will also be paid at any time during the month upon total redemption of shares in an account. Capital gains, if any, are declared and paid at least annually. Distributions to shareholders are recorded on the ex-dividend date. The amount of dividends and distributions are calculated based on federal income tax regulations, which may differ from US GAAP. These "book/tax" differences may be either temporary or permanent in nature. To the extent these differences are determined, as of the end of the tax year, to be permanent (e.g. paydowns), they are reclassified within the Fund's capital accounts based on their federal tax basis treatment.

For the year ended September 30, 2017, reclassifications for permanent differences were as follows:

	<u>Increase Undistributed Net Investment Income</u>	<u>Increase Accumulated Realized Losses</u>
U.S. Government Money Market Fund	\$218,673	\$(218,673)

### When-Issued Transactions:

The Fund may engage in when-issued transactions. The Fund records when-issued securities on the trade date and maintains sufficient liquidity so that cash will be available to make payment for the securities purchased. Securities purchased on a when-issued basis are valued daily beginning on the trade date and begin earning interest on the settlement date. As of September 30, 2017, the Fund held no when-issued securities.

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### 3. Agreements and Other Transactions with Affiliates

The Trust has entered into an investment advisory agreement with RBC GAM (US) under which RBC GAM (US) manages the Fund's assets and furnishes related office facilities, equipment, research and personnel. The agreement requires the Fund to pay RBC GAM (US) a monthly fee based upon average daily net assets. Under the terms of the advisory contract, RBC GAM (US) is entitled to receive fees based on a percentage of the average daily net assets as follows:

	<u>Annual Rate</u>
U.S. Government Money Market Fund	0.10%

RBC Institutional Class 1 of the Fund pays the Advisor an annual shareholder services administration fee of 0.05% of the average daily net assets attributable to RBC Institutional Class 1 shares that is used to compensate financial intermediaries for providing services to shareholders and maintaining shareholder accounts. This shareholder services administration fee is not paid pursuant to Rule 12b-1.

## NOTES TO FINANCIAL STATEMENTS

RBC GAM (US) has contractually agreed to waive fees and/or reimburse expenses under an expense limitation agreement in order to maintain the net annual Fund operating expenses (excluding certain fees such as interest, taxes and acquired fund fees and expenses) at 0.20% for RBC Institutional Class 1. During the year ended September 30, 2017, there were no fees waived under this agreement.

RBC GAM (US) serves as co-administrator to the Fund. BNY Mellon serves as co-administrator and fund accounting agent. Services provided under the administrative services agreement include providing day-to-day administration of matters related to the Fund, maintenance of the records and the preparation of reports. Under the terms of the administrative services agreement, RBC GAM (US) does not receive an administration services fee. BNY Mellon receives a fee for its services payable by the Fund based on the Fund's average net assets. BNY Mellon's fee is included with "Accounting fees" in the Statement of Operations.

Certain Officers and Trustees of the Trust are affiliated with the Advisor. Such Officers and Trustees receive no compensation from the Fund for serving in their respective roles.

The Trust currently pays each of the independent Trustees (Trustees of the Trust who are not directors, officers or employees of the Advisor, either Co-Administrator or Distributor) an annual retainer of \$49,000 (\$54,000 effective October 1, 2017). The Board Chairperson and Audit Committee Chairperson each receive an additional retainer of \$2,500 annually, and all other Trustees serving as Chair of a Board committee each receive an additional retainer of \$1,000 annually. In addition, independent Trustees receive a quarterly meeting fee of \$6,500 for each in-person Board meeting attended, a meeting fee of \$1,500 for each telephonic or special board meeting attended, a \$1,500 fee for each Board committee meeting attended, and are reimbursed for all out-of-pocket expenses relating to attendance at such meetings. These amounts are included in the Statement of Operations in "Trustees' fees".

#### 4. Fund Distribution

The Fund has adopted a Shareholder Account and Distribution Services (12b-1) Plan (the "Plan") with respect to RBC Institutional Class 2, RBC Investor Class, RBC Reserve Class and the RBC Select Class, in which Quasar Distributors LLC (the "Distributor") acts as the Fund's distributor. The Plan permits the Fund to make payments for or to reimburse the Distributor or others, including RBC Capital Markets, LLC, monthly for distribution-related costs and expenses of marketing shares of each share class covered under the Plan, and/or for providing shareholder services. The following chart shows the current Plan fee rate for each class:

	<u>RBC Institutional Class 2</u>	<u>RBC Investor Class</u>	<u>RBC Reserve Class</u>	<u>RBC Select Class</u>
12b-1 Plan Fee	0.15%	1.00%	0.90%	0.80%

Plan fees are based on average daily net assets of the applicable class. Up to 0.25% of each Plan fee may be designated as a service fee, as defined by the applicable rules of the Financial Industry Regulatory Authority.

Pursuant to a shareholder account and distribution services agreement between the Distributor and RBC Capital Markets, LLC, the Distributor has agreed to compensate RBC Capital Markets, LLC for certain shareholder account servicing support provided to the Fund. RBC Capital Markets, LLC has agreed to waive fees and/or reimburse expenses in order to maintain the net annual Fund operating expenses for each class listed below to the following amounts:

<u>Share Class</u>	<u>Operating Expense Limit</u>
RBC Institutional Class 2	0.30%
RBC Investor Class	1.00%
RBC Reserve Class	0.85%
RBC Select Class	0.77%

## NOTES TO FINANCIAL STATEMENTS

This expense limitation agreement is in place until January 31, 2018. The Fund will carry forward, for a period not to exceed 12 months from the date on which a waiver or reimbursement is made by RBC Capital Markets, LLC, any expenses in excess of the expense limitation and repay RBC Capital Markets, LLC such amounts, provided the Fund is able to effect such repayment and remain in compliance with the expense limitation. At September 30, 2017, the amount subject to possible recoupment under the expense limitation agreement is \$1,691,974.

RBC Capital Markets, LLC and/or the Advisor may voluntarily waive and/or reimburse additional Fund operating expenses at any time, such as to maintain a minimum yield in the fund. Any such voluntary program may be modified or discontinued at any time without notice.

For the year ended September 30, 2017, the following distribution fees were waived:

<u>Share Class</u>	<u>Distribution Fees Waived</u>
RBC Investor Class	\$3,249,145
RBC Reserve Class	7,065,144
RBC Select Class	3,764,357

### 5. Capital Share Transactions

The number of shares sold, reinvested and redeemed correspond to the net proceeds from sale of shares, reinvestments of dividends and cost of shares redeemed, respectively, since shares are issued, reinvested and redeemed at \$1.00 per share.

Transactions for the period were as follows:

	<u>U.S. Government Money Market Fund</u>	
	<u>For the Year Ended September 30, 2017</u>	<u>For the Year Ended September 30, 2016</u>
<b>CAPITAL TRANSACTIONS:</b>		
<b>RBC Institutional Class 1</b>		
Proceeds from shares issued	\$ 26,573,845,998	\$ 5,665,429,108
Distributions reinvested	7,724,325	1,558,949
Cost of shares redeemed	(26,445,458,238)	(4,514,013,138)
Change in RBC Institutional Class 1	<u>\$ 136,112,085</u>	<u>\$ 1,152,974,919</u>
<b>RBC Institutional Class 2</b>		
Proceeds from shares issued	\$ 2,556,565,068	\$ 3,198,618,167
Distributions reinvested	4,966,226	706,441
Cost of shares redeemed	(2,001,156,197)	(2,865,535,520)
Change in RBC Institutional Class 2	<u>\$ 560,375,097</u>	<u>\$ 333,789,088</u>
<b>RBC Investor Class</b>		
Proceeds from shares issued	\$ 3,951,875,358	\$ 863,568,259
Distributions reinvested	279,155	73,633
Cost of shares redeemed	(2,521,704,235)	(840,426,091)
Change in RBC Investor Class	<u>\$ 1,430,450,278</u>	<u>\$ 23,215,801</u>
<b>RBC Reserve Class</b>		
Proceeds from shares issued	\$ 1,465,090,862	\$ 2,830,089,661
Distributions reinvested	172,787	367,353
Cost of shares redeemed	(5,146,926,740)	(1,853,851,082)
Change in RBC Reserve Class	<u>\$ (3,681,663,091)</u>	<u>\$ 976,605,932</u>

## NOTES TO FINANCIAL STATEMENTS

### RBC Select Class

Proceeds from shares issued	\$ 1,433,441,969	\$ 3,085,461,284
Distributions reinvested	198,520	221,045
Cost of shares redeemed	(3,758,181,502)	(2,427,545,429)
Change in RBC Select Class	<u>\$(2,324,541,013)</u>	<u>\$ 658,136,900</u>
Change in net assets resulting from capital transactions	<u>\$(3,879,266,644)</u>	<u>\$ 3,144,722,640</u>

### 6. Federal Income Taxes

It is the policy of the Fund to continue to qualify as a regulated investment company by complying with the provisions applicable to certain investment companies, as defined under Subchapter M of the Internal Revenue Code, and to distribute substantially all of its net investment income and net realized capital gains. Therefore, no federal tax liability is recorded in the financial statements of the Fund.

Fund Management has analyzed the Fund's tax positions taken or expected to be taken on federal income tax returns for all open tax years (current and prior three tax years) and has concluded that no provision for federal income tax is required in the Fund's financial statements. The Fund's federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

As of and during the year ended September 30, 2017, the Fund did not have a liability for any unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the period, the Fund did not incur any interest or penalties.

The tax character of distributions during the year ended September 30, 2017 were as follows:

Distributions Paid From		Total Taxable Distributions	Tax Exempt Distributions	Total Distributions Paid*
Ordinary Income	Net Long Term Capital Gains			
\$19,634,890	\$ —	\$19,634,890	\$ —	\$19,634,890

The tax character of distributions during the year ended September 30, 2016 were as follows:

Distributions Paid From		Total Taxable Distributions	Tax Exempt Distributions	Total Distributions Paid*
Ordinary Income	Net Long Term Capital Gains			
\$4,174,784	\$ —	\$4,174,784	\$ —	\$4,174,784

\*Total distributions paid may differ from the Statements of Changes in Net Assets because distributions are recognized when actually paid for tax purposes.

As of September 30, 2017, the components of accumulated earnings/(losses) on a tax basis were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Distributions Payable	Accumulated Capital Loss Carryforwards	Deferred Qualified Late-Year Losses	Unrealized Depreciation	Total Accumulated Earnings/(Losses)
\$2,291,138	\$ —	\$(2,291,139)	\$(222,445)	\$ —	\$ —	\$(222,446)

As of September 30, 2017, the Fund had a short-term capital loss carryforward of \$225,445 available to offset future realized capital gains in accordance with the Regulated Investment Company

## NOTES TO FINANCIAL STATEMENTS

Modernization Act of 2010. This capital loss carryforward is not subject to expiration and must first be utilized to offset future realized gains of the same character.

Under current tax law, capital losses realized after October 31 of a Fund's fiscal year may be deferred and treated as occurring on the first business day of the following fiscal year for tax purposes. The Fund did not have any deferred qualified late-year capital losses for the year ending September 30, 2017.

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### **7. Line of Credit**

The Fund, participates in an uncommitted, unsecured \$500,000,000 line of credit with U.S. Bank N.A. (the "Bank"), the Fund's custodian, to be used to fund shareholder redemption requests and for other short-term temporary or emergency general business purposes. The line of credit has a scheduled termination date of March 30, 2018. Interest is charged on borrowings under this line of credit at the Bank's prime lending rate per annum. There were no loans outstanding pursuant to this line of credit at September 30, 2017. During the year ended September 30, 2017, the Fund did not utilize this line of credit.

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### **8. Significant Risks**

#### **Shareholder concentration risk**

As of September 30, 2017, an omnibus account owned 62.8% of the Fund's outstanding shares. Significant transactions by these shareholders may impact the Fund's performance.

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### **9. Subsequent Events**

Fund Management has evaluated the impact of subsequent events on the Fund and has determined that there are no subsequent events that require recognition or disclosure in the financial statements except the following:

Effective November 9, 2017, shares of Select Class and Reserve Class are no longer offered, and purchases of these share classes will no longer be accepted.

**To the Board of Trustees and the Shareholders of U.S. Government Money Market Fund.**

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In our opinion, the accompanying statement of assets and liabilities, including the schedule of portfolio investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of the U.S. Government Money Market Fund (the "Fund," a series of RBC Funds Trust) as of September 30, 2017, the results of its operations for the year then ended, the changes in its net assets and the financial highlights for each of the two years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities as of September 30, 2017 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion. The financial highlights for each of the periods ended on or prior to September 30, 2015 were audited by other auditors whose report dated November 25, 2015 expressed an unqualified opinion on those financial highlights.

PricewaterhouseCoopers LLP  
Minneapolis, Minnesota  
November 22, 2017

## OTHER FEDERAL INCOME TAX INFORMATION (UNAUDITED)

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The Fund reports a portion of the income dividends distributed during the fiscal year ended September 30, 2017, as U.S. Government Income as 48.44%.

U.S. Government Income represents the amount of interest that was derived from direct U.S. Government obligations. Generally, such interest is exempt from state income tax. For residents of California, New York and Connecticut the statutory threshold requirements were satisfied. Due to the diversity in state and local tax law, it is recommended you consult a tax adviser as to the applicability of the information provided for your specific situation.

The Fund reports a portion of the income dividends distributed during the fiscal year ended September 30, 2017, as Qualified Interest Income as defined in the Internal Revenue Code as 100%.

All reportings are based on financial information available as of the date of this annual report and, accordingly, are subject to change. For each item above, it is the intention of the Fund to report the maximum amount permitted under the Internal Revenue Code and the regulations thereunder.

## Independent Trustees<sup>(1)(2)</sup>

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### Lucy Hancock Bode (66)

**Position, Term of Office and Length of Time Served with the Trust:** Trustee since January 2004

**Principal Occupation(s) During Past 5 Years:** Healthcare consultant (self-employed) (1986 to present)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** Franklin Street Partners (2014 to present); BioSignia (2006 to 2010).

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### Leslie H. Garner Jr. (67)

**Position, Term of Office and Length of Time Served with the Trust:** Trustee since January 2004

**Principal Occupation(s) During Past 5 Years:** President and Chief Executive Officer, The Greater Cedar Rapids Community Foundation (2010 to present); President, Cornell College (1994 to 2010)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** None

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### Ronald James (66)

**Position, Term of Office and Length of Time Served with the Trust:** Trustee since January 2004

**Principal Occupation(s) During Past 5 Years:** Faculty member (part time), University of St. Thomas (2004 to present), President and Chief Executive Officer, Center for Ethical Business Cultures (2000 to January 2017)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** Bremer Financial Corporation (2004 to present); Best Buy Co. Inc. (2004 to 2013).

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### John A. MacDonald (68)

**Position, Term of Office and Length of Time Served with the Trust:** Trustee since January 2004

**Principal Occupation(s) During Past 5 Years:** Vice President and Treasurer, Hall Family Foundation (1988 to present); Chief Investment Officer, Chinquapin Trust Company (1999 to present)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** None

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### H. David Rybolt (75)

**Position, Term of Office and Length of Time Served with the Trust:** Trustee since January 2004

**Principal Occupation(s) During Past 5 Years:** Principal, HDR Associates (management-consulting) (1985 to present)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** None



## Independent Trustees<sup>(1)(2)</sup>

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### James R. Seward (65)

**Position, Term of Office and Length of Time Served with the Trust:** Chairman of the Board and Trustee since January 2004

**Principal Occupation(s) During Past 5 Years:** Private investor (2000 to present); CFA (1987 to present)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** Sooner Holdings (formerly Syntroleum Corporation) (1988 to 2015); Brookdale Senior Living Inc. (2008 to present)

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### William B. Taylor (72)

**Position, Term of Office and Length of Time Served with the Trust:** Trustee since September 2005

**Principal Occupation(s) During Past 5 Years:** Consultant (2003 to present); Partner, Ernst & Young LLP (1982 to 2003)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** National Association of Corporate Directors-Heartland Chapter (2013 to present); William Henry Insurance, LLC (2005 to present); Balance Innovations LLC (2014 to present); Kansas City Symphony (1995 to present) Kansas University Endowment Association (2010 to present)

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## Interested Trustees<sup>(1)(2)(3)</sup>

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### Kathleen A. Gorman (53)<sup>(5)</sup>

**Position, Term of Office and Length of Time Served with the Trust:** Trustee since September 2012

**Principal Occupation(s) During Past 5 Years:** President and Chief Executive Officer, RBC Funds (2012 to present); Chief Compliance Officer, RBC Funds (2006 to 2012); Director of Regulatory Administration, RBC Global Asset Management (U.S.) Inc. (2007 to 2012)

**Number of Portfolios in Fund Complex Overseen by Trustee:** 16

**Other Director/Trustee Positions Held by Trustee During Past 5 Years:** None

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## Executive Officers<sup>(1)(3)(4)</sup>

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### Kathleen A. Gorman (53)

**Position, Term of Office and Length of Time Served with the Trust:** President and Chief Executive Officer since September 2012

**Principal Occupation(s) During Past 5 Years:** President and Chief Executive Officer, RBC Funds (2012 to present); Chief Compliance Officer, RBC Funds (2006 to 2012); Director of Regulatory Administration, RBC Global Asset Management (U.S.) Inc. (2007 to 2012)

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Executive Officers<sup>(1)(3)(4)</sup>

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**Kathleen A. Hegna (50)**

**Position, Term of Office and Length of Time Served with the Trust:** Chief Financial Officer and Principal Accounting Officer since May 2009 and Treasurer since March 2014

**Principal Occupation(s) During Past 5 Years:** Associate Vice President and Director, Mutual Fund Services, RBC Global Asset Management (U.S.) Inc. (2009 to present)

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**Christina M. Weber (49)**

**Position, Term of Office and Length of Time Served with the Trust:** Chief Compliance Officer since December 2012 and Secretary since September 2017

**Principal Occupation(s) During Past 5 Years:** Chief Compliance Officer, RBC Funds (2012 to present); Senior Compliance Officer, RBC Funds (March 2012 to December 2012); Compliance Manager, Minnesota Life Insurance Company (2006 to 2012)

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- (1) Except as otherwise noted, the address of each Trustee/Officer is RBC Funds Trust, 50 South Sixth Street, Suite 2350, Minneapolis, Minnesota 55402.
- (2) All Trustees must retire on or before December 31 of the year in which they reach age 75. The Board may temporarily waive this requirement when necessary to avoid depriving the Board of a Trustee with critical skills.
- (3) On December 31, 2009, Voyageur Asset Management Inc. changed its name to RBC Global Asset Management (U.S.) Inc. Any references to RBC Global Asset Management (U.S.) Inc. for prior periods are deemed to be references to the prior entity.
- (4) Each officer serves in such capacity for an indefinite period of time until his or her removal, resignation or retirement.
- (5) Kathleen A. Gorman has been determined to be an interested Trustee by virtue of her position with the Advisor.

The Fund's Statement of Additional Information includes information about the Funds' Trustees. To receive your free copy of the Statement of Additional Information, call toll free: 1-800-422-2766.

### Shareholder Expense Examples

As a shareholder of the RBC Funds, you incur two types of costs: (1) transaction costs, including sales charges (loads) and (2) ongoing costs, including management fees; 12b-1 distribution and service fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the RBC Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from April 1, 2017 through September 30, 2017.

### Actual Expenses and Performance

The table below provides information about actual account values and actual expenses. You may use the information below, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

	<b>Beginning Account Value 4/1/17</b>	<b>Ending Account Value 9/30/17</b>	<b>Expenses Paid During Period* 4/1/17-9/30/17</b>	<b>Annualized Expense Ratio During Period 4/1/17-9/30/17</b>
<b>U.S. Government Money Market Fund</b>				
RBC Institutional Class 1	\$1,000.00	\$1,003.80	\$1.00	0.20%
RBC Institutional Class 2	1,000.00	1,003.30	1.50	0.30%
RBC Investor Class	1,000.00	1,000.10	4.79	0.96%
RBC Reserve Class	1,000.00	1,000.00	4.19	0.84%
RBC Select Class	1,000.00	1,000.10	3.84	0.77%

\* Expenses are equal to the average account value times the Fund's annualized expense ratio multiplied by 182/365 (to reflect one-half year period).

**Hypothetical Example for Comparison Purposes**

The table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	<b>Beginning Account Value 4/1/17</b>	<b>Ending Account Value 9/30/17</b>	<b>Expenses Paid During Period* 4/1/17-9/30/17</b>	<b>Annualized Expense Ratio During Period 4/1/17-9/30/17</b>
<b>U.S. Government Money Market Fund</b>				
RBC Institutional Class 1	\$1,000.00	\$1,023.93	\$1.01	0.20%
RBC Institutional Class 2	1,000.00	1,023.44	1.51	0.30%
RBC Investor Class	1,000.00	1,020.14	4.84	0.96%
RBC Reserve Class	1,000.00	1,020.74	4.23	0.84%
RBC Select Class	1,000.00	1,021.09	3.88	0.77%

\* Expenses are equal to the average account value times the Fund's annualized expense ratio multiplied by 182/365 (to reflect one-half year period).

### **Information Regarding the Approval of Investment Advisory Agreement**

In September 2017, after evaluating the services provided by RBC Global Asset Management (U.S.) Inc. (the "Advisor") and reviewing the performance, fees, and expenses of the Fund, the RBC Funds Board of Trustees determined to approve the continuation of the investment advisory agreement ("Agreement") with the Advisor for the Fund for an additional year.

As part of their review of the Agreement, the Trustees requested and considered information regarding the advisory services performed by the Advisor, the staffing and qualifications of the personnel responsible for operating and managing the Fund, and the Fund's performance and expenses. The Trustees considered information provided at regular quarterly Board and Committee meetings throughout the year as well as information presented at both a special meeting held to review requested material related to the proposed renewals and a meeting held specifically to consider the proposed renewals. In connection with their deliberations, the independent Trustees were advised by independent legal counsel with regard to the materials and their responsibilities under relevant laws and regulations.

The Trustees met with representatives from the Advisor's senior management team, as well as senior investment professionals, to discuss the information and the Advisor's ongoing management of the Fund. The Trustees reviewed the nature, quality, and extent of the services provided to the Fund by the Advisor, including information as to the Fund's performance. The Trustees noted that the Fund would no longer be used as a cash sweep option for brokerage clients of one of the Advisor's affiliates.

The Trustees were provided with comparative Morningstar data for U.S. government money market funds. The Trustees noted that, although the low interest rate environment continued to drive down money market returns, the Fund's relative performance was good. The Trustees were satisfied with the quality and capabilities of the money market fund portfolio management and analyst team and with the overall investment performance of the Fund.

The Trustees reviewed the challenging economic climate for money market funds generally, which has resulted in continued low gross yields and corresponding fee waivers to avoid negative yields. The Trustees reviewed the investment advisory fees payable to the Advisor and reviewed comparative fee and expense information for similarly situated funds. The Trustees noted the Fund's net expense ratio was in line with its peer group median. The Trustees evaluated profitability data for the Advisor, noting decreasing profitability relating to the Fund due to decreased assets, and considered information regarding other benefits the Advisor and its affiliates derived from their relationships with the Fund, including the Advisor's role as co-administrator of the Fund and the fees paid by the Fund for such services. The Trustees also considered arrangements by the Advisor and its affiliates to subsidize Fund expenses at competitive levels and viewed such arrangements favorably.

Based upon their review, the Trustees determined that the advisory fees proposed to be payable to the Advisor were reasonable and fair in light of the nature and quality of services provided under all the circumstances and were within the range of what might have been negotiated at arms' length. The Trustees concluded that it is in the interests of the Fund and its shareholders for the Trustees to approve the continuation of the Agreement. In arriving at their collective decision to approve the renewal of the Agreements, the Trustees did not assign relative weights to the factors discussed above or deem any one or group of them to be controlling in and of itself.



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**Performance data represents past performance and does not guarantee future results. The principal value of an investment and investment return will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.**

This report and the financial statements contained herein are provided for the information of RBC Funds shareholders. This report is not authorized for distribution to prospective investors unless preceded or accompanied by a current prospectus, which contains information concerning investment objectives, risks, charges and expenses of the funds. Please read the prospectus carefully before investing.

This report and the financial statements contained herein are not intended to be a forecast of future events, a guarantee of future results, or investment advice. There is no assurance that certain securities will remain in or out of each fund's portfolio. The views expressed in this report reflect those of the portfolio managers through the year ended September 30, 2017.

**NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE**

RBC Global Asset Management (U.S.) Inc. serves as investment advisor for the RBC Funds. RBC Funds are distributed by Quasar Distributors LLC.



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