

The National Bank of Canada (the "Bank") short form base shelf prospectus dated June 20, 2014, as amended or supplemented (the "Prospectus"), the prospectus supplement to the Prospectus dated September 24, 2015 (the "Prospectus Supplement") and the pricing supplement No. L06 dated February 17, 2016 (the "Pricing Supplement") (together, the "Prospectus"), containing important information relating to the Note Securities described in this document, have been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the Prospectus is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the Note Securities offered. Prospective investors should read the Prospectus, and any amendment thereto, for disclosure of those facts, especially risk factors relating to the Note Securities offered, before making an investment decision. Capitalized terms used herein and not otherwise defined have the meaning ascribed thereto in the Pricing Supplement, the Prospectus Supplement and the Prospectus. *The Note Securities constitute Equity Linked Note Securities under the Prospectus. NBC Linear Note Securities Program.*

## NBC NOTE SECURITIES

# NBC Linear Note Securities linked to a portfolio of American companies, Class F, due on March 18, 2021

### SELLING PERIOD:

February 18, 2016 to March 11, 2016

### ISSUANCE DATE:

March 18, 2016

### MATURITY DATE:

March 18, 2021

### INVESTMENT HIGHLIGHTS:

- Reference Portfolio: Common shares of American companies
- Term: 5 years
- Note Securities Currency: Canadian dollars
- FX Hedge Type: FX Hedged
- ROC Payments: Equivalent, quarterly (see page 2)
- Early Trading Charge: No early trading charge
- Daily secondary market available under normal market conditions



→ Should you have any questions, do not hesitate to contact your advisor.

FUNDSERV CODE: NBC2364

Dated February 17, 2016



## Summary of the Offering

Issuer:	National Bank of Canada							
Issuer Credit Rating:	Long-term deposits rated DBRS: AA (low) / S&P: A / Moody's: Aa3 The Note Securities have not been rated by any rating agencies.							
Principal Amount:	\$100							
Minimum Subscription:	\$5,000 (50 Note Securities) and integral multiples of \$100 (1 Note Security) in excess thereof.							
Issuance Date:	March 18, 2016							
Final Valuation Date:	March 15, 2021, subject to postponement in certain circumstances as described in the Prospectus and Prospectus Supplement.							
Maturity Date:	March 18, 2021							
Reference Portfolio:	Reference Asset name	Reference Asset ticker	Price Source	Closing Level	Reference Asset type	Reference Asset Currency	FX Hedge Type	Initial Reference Asset Weight
	Common shares of Walgreens Boots Alliance, Inc.	WBA	NASDAQ	Closing price	Equity security	USD	FX Hedged	20.00%
	Common shares of DuPont Fabros Technology, Inc.	DFT	NYSE	Closing price	Equity security	USD	FX Hedged	20.00%
	Common shares of Amgen Inc.	AMGN	NASDAQ	Closing price	Equity security	USD	FX Hedged	10.00%
	Common shares of Amazon.com, Inc.	AMZN	NASDAQ	Closing price	Equity security	USD	FX Hedged	10.00%
	Common shares of Biogen Inc.	BIIB	NASDAQ	Closing price	Equity security	USD	FX Hedged	10.00%
	Common shares of Netflix, Inc.	NFLX	NASDAQ	Closing price	Equity security	USD	FX Hedged	10.00%
	Common shares of The Walt Disney Company	DIS	NYSE	Closing price	Equity security	USD	FX Hedged	10.00%
	Common shares of The Home Depot, Inc.	HD	NYSE	Closing price	Equity security	USD	FX Hedged	10.00%
Note Securities Currency:	Canadian dollars							
Rebalancing:	No rebalancing.							
ROC Payment type:	Equivalent.							
Potential ROC Payment Dates:	ROC Payment Dates, if any, will be quarterly on the 18th day of each month of June, September, December and March, starting on June 18, 2016 up to March 18, 2021. If a ROC Payment Date is not a Business Day, the ROC Payment Date will be postponed on the next Business Day.							
Potential ROC Payment Valuation Dates:	ROC Payment Valuation Date will be the third Business Day prior to each ROC Payment Date.							
Reference Portfolio Initial NAV:	\$100.00							
Withholding Tax Rate:	15%							
Up-front Selling Commission:	No Up-front Selling Commission.							

Up-front Structuring Amount:	No Up-front Structuring Amount.
Trailer Percentage:	No Trailer Percentage.
Structuring Trailer Percentage:	0.50%. The Structuring Trailer Percentage will be paid out of the Daily Maintenance Amount and therefore will indirectly reduce the Reference Asset NAV.
FX Funding Amount spread:	0.30%
Independent Agent Fee:	Up to \$0.15 per Note Security (0.15% of the Principal Amount of each Note Security sold), paid by the Bank out of its own funds.
Agents:	National Bank Financial Inc. (“NBF”) and Laurentian Bank Securities Inc. Laurentian Bank Securities Inc. will act as Independent Agent.
Listing and Secondary Market:	The Note Securities will not be listed on any securities exchange or quotation system. NBF intends to maintain until the Final Valuation Date, under normal market conditions, a daily secondary market for the Note Securities. If the price or the level of the Reference Asset is not published or, in an applicable case, if trading in the Reference Asset is disrupted or suspended, or if any other Market Disruption Event occurs, NBF will generally deem that normal market conditions do not exist. NBF may, in its sole discretion, stop maintaining a market for the Note Securities at any time without any prior notice to Holders. There can be no assurance that a secondary market will develop or, if one develops, that it will be liquid. In addition, any sale of Note Securities facilitated by NBF may be subject to an early trading charge, deductible from the sale proceeds of the Note Securities. Holders who have purchased Note Securities using the FundSERV network will be limited to the FundSERV network to sell Note Securities.
Eligibility for Investment:	Eligible for RRSPs, RRIFs, RESPs, RDSPs, DPSPs and TFSAs. See “Eligibility for Investment” in the Prospectus Supplement and the Prospectus.
Early Trading Charge:	No early trading charge.
Cost related to the Distribution Amount:	The Distribution Amount for a given dividend or other distribution paid by the issuer of a Reference Asset and on its ex-dividend date will be equal to the present value of the dividend amount or other distribution, minus an amount equal to any applicable withholding taxes that would be applicable if the Reference Assets were held by a Canadian Investor (15%), and converted into the Reference Asset Currency if applicable, using the applicable FX Rate. The present value is the value of the dividend amount or other distribution to be paid, discounted using the relevant Interest Rate plus 1% and the number of days between the ex-dividend date and the payment date. <b>The amount, notionally deducted from such dividends or other distributions in respect of withholding tax (as described above) will not be paid to the Holder, regardless of the Holder’s residency or account type.</b>

## Suitability for Investment

The Note Securities are not suitable for all investors. In determining whether the Note Securities are a suitable investment for you please consider that:

- the Note Securities provide no protection for your original principal investment, other than the minimum Maturity Redemption Payment of 1% of the Principal Amount per Note Security and the sum of all ROC Payments, if any, and if the Reference Portfolio NAV is less than the Remaining Principal Amount on the Final Valuation Date, you will receive an amount which is less than your original principal investment over the term of the Note Securities;
- in order for you to earn a return on your investment, the Reference Portfolio NAV has to increase sufficiently to offset the Up-front Selling Commission, if applicable, and the Up-front Structuring Amount, if applicable, which reduce the Reference Portfolio NAV;
- in order for you to earn a return on your investment, the Reference Asset Return Amount and the Reference Asset FX Amount of the Reference Assets have to increase sufficiently to offset the Daily Maintenance Amount reducing the Reference Asset NAV Change in order to increase the Reference Portfolio NAV;
- your investment strategy should be consistent with the investment features of the Note Securities;
- your investment time horizon should correspond with the term of the Note Securities; and
- your investment will be subject to the risk factors summarized in the section “Risk Factors” in the Pricing Supplement, the Prospectus Supplement and the Prospectus.

## Risk Factors

The Note Securities differ from conventional debt and fixed income investments; repayment of the entire Principal Amount is not guaranteed. The Note Securities entail downside risk and are not designed to be alternatives to conventional debt and fixed income investments or money market instruments.

Investing in the Note Securities involves risks that are described under “Risk Factors” in the Pricing Supplement, the Prospectus Supplement and the Prospectus, including, without limitation, the sections therein entitled “Certain Risk Factors related to the Equity Linked Note Securities”. Purchasers are urged to read the information about these risks, together with the other information in the Pricing Supplement, the Prospectus Supplement and the Prospectus, before investing in the Note Securities. **Holders who are not prepared to accept the risks described in the Pricing Supplement, the Prospectus Supplement and the Prospectus should not invest in the Note Securities.**

### NOTICE

The Note Securities will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime designed to ensure the payment of all or a portion of a deposit upon insolvency of the deposit taking institution. The Note Securities differ from conventional debt and fixed income investments; repayment of the entire Principal Amount is not guaranteed. The Note Securities entail downside risk and are not designed to be alternatives to conventional debt and fixed income investments or money market instruments.

Amounts paid to Holders will depend on the performance of the Reference Portfolio. Neither the Bank, its affiliates, the Agents, nor any other person or entity guarantees that Holders will receive an amount equal to their original investment in the Note Securities or guarantees that any return will be paid on the Note Securities. Since the Note Securities are not protected and the Principal Amount will be at risk (other than the minimum Maturity Redemption Payment of 1% of the Principal Amount), it is possible that Holders could lose some or substantially all of their original investment in the Note Securities.

For the various risks associated with such an investment, please see the “Risk Factors” section of this document and the “Risk Factors” section in the Pricing Supplement, the Prospectus Supplement and the Prospectus. Any prospective investor must be able to bear the risks involved and must meet the suitability requirement of the Note Securities. Please see the section “Suitability of the Note Securities for Investors” in the Pricing Supplement and the Prospectus Supplement.

