

The National Bank of Canada (the "Bank") short form base shelf prospectus dated July 4, 2016, as amended or supplemented (the "Prospectus"), the prospectus supplement to the Prospectus dated September 2, 2016 (the "Prospectus Supplement") and the pricing supplement No. MA121 dated January 9, 2017 (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 Index Linked Note Securities under the Prospectus. NBC Marathon™ (Accelerator) Note Securities (no direct currency exposure; price return) Program.*

NBC NOTE SECURITIES

NBC Marathon™ (Accelerator) Note Securities (No Barrier) linked to the S&P/TSX Composite Low Volatility Index, due on January 31, 2022



SELLING PERIOD:

January 10, 2017 to January 24, 2017

ISSUANCE DATE:

January 31, 2017

MATURITY DATE:

January 31, 2022

INVESTMENT HIGHLIGHTS:

- Reference Portfolio: S&P/TSX Composite Low Volatility Index
- Term: 5 years
- Marathon™ (Accelerator) type: No Barrier
- Acceleration Factor: 3.40
- Currency: Canadian dollars
- Early Trading Charge: \$3.60 per Note Security, declining every 30 days by \$0.30 to be \$0.00 after 360 days from and including the Issuance Date.
- Daily secondary market available under normal market conditions

REFERENCE PORTFOLIO:

Reference Asset name	Reference Asset ticker from Bloomberg	Price Source	Closing Level	Reference Asset type	Reference Asset Weight
S&P/TSX Composite Low Volatility Index	SPTXLVPR	S&P Dow Jones Indices LLC	Closing level	Index	100%

SAMPLE RETURN CALCULATIONS:

Reference Portfolio Return:	Note Securities Return:
-45%	-45.00%
-15%	-15.00%
-5%	-5.00%
0%	0.00%
15%	51.00%
30%	102.00%
45%	153.00%

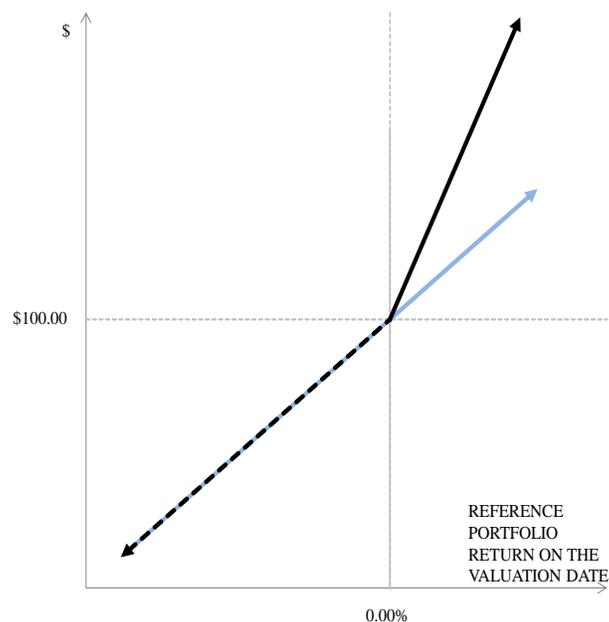
Reference Portfolio Return

Acceleration Factor (3.40) x Reference Portfolio Return

The Reference Asset Return for the Reference Asset is a price return, and will not take into account dividends and/or distributions paid by the issuers or constituents of the Reference Asset. As of January 3, 2017, the dividends and/or distributions paid on account of all of the issuers or constituents of the Reference Asset in the Reference Portfolio represented an annual indicative yield of 4.30%, representing an aggregate yield of approximately 21.50% over the term of the Note Securities, assuming that the yield remains constant and the dividends and/or distributions are not reinvested.

NOTE SECURITIES RETURN PER \$100 PRINCIPAL AMOUNT:

This graph illustrates the relationship between the Reference Portfolio Return, the Acceleration Factor and the Maturity Redemption Payment. There can be no assurance that the Final Level for any Reference Asset will be higher than its Initial Level and there can be no assurance that the Reference Portfolio Return on the Valuation Date will be positive.



— \$100 x (1 + Reference Portfolio Return)

— NBC Marathon™ (Accelerator) Note Securities (No Barrier):
Maturity Redemption Payment

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

FUNDSERV CODE: NBC2536

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:	\$1,000 (10 Note Securities) and integral multiples of \$100 (1 Note Security) in excess thereof.
Marathon™ (Accelerator) Type:	No Barrier
Currency:	Canadian dollars
Issuance Date:	January 31, 2017
Valuation Date:	January 26, 2022
Maturity Date:	January 31, 2022
Maturity Redemption Payment:	<p>The Maturity Redemption Payment per Note Security will be as follows:</p> <p>(i) if the Reference Portfolio Return is positive on the Valuation Date, the Maturity Redemption Payment will be equal to $\\$100 \times [1 + (\text{Acceleration Factor} \times \text{Reference Portfolio Return})]$; or</p> <p>(ii) if the Reference Portfolio Return is nil or negative on the Valuation Date, the Maturity Redemption Payment will be equal to $\\$100 \times [1 + \text{Reference Portfolio Return}]$.</p> <p>Notwithstanding the foregoing, the Maturity Redemption Payment will be subject to a minimum of 1% of the Principal Amount.</p>
Acceleration Factor:	3.40
Reference Portfolio Return:	On any day, the weighted average return of the Reference Assets calculated as the sum of the Weighted Reference Asset Return of each of the Reference Assets comprising the Reference Portfolio.
Weighted Reference Asset Return:	For each Reference Asset contained in the Reference Portfolio and on any day, the product of (i) the Reference Asset Return and (ii) the Reference Asset Weight.
Reference Asset Return:	<p>For each Reference Asset contained in the Reference Portfolio and on any day, a number, expressed as a percentage, calculated as follows: (Closing Level / Initial Level) - 1</p> <p>The Reference Asset Return for the Reference Asset is a price return, and will not take into account dividends and/or distributions paid by the issuers or constituents of the Reference Asset. As of January 3, 2017, the dividends and/or distributions paid on account of all of the issuers or constituents of the Reference Asset in the Reference Portfolio represented an annual indicative yield of 4.30%, representing an aggregate yield of approximately 21.50% over the term of the Note Securities, assuming that the yield remains constant and the dividends and/or distributions are not reinvested.</p>
Initial Level:	The Closing Level on the Issuance Date.
Final Level:	The Closing Level on the Valuation Date.
Agents:	National Bank Financial Inc. ("NBF") and Richardson GMP Limited. Richardson GMP Limited will act as Independent Agent.
Listing and Secondary Market:	<p>The Note Securities will not be listed on any securities exchange or quotation system. NBF intends to maintain until the 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.</p> <p>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.</p>
Early Trading Charge:	\$3.60 per Note Security, declining every 30 days by \$0.30 to be \$0.00 after 360 days from and including the Issuance Date.
Eligibility for Investment:	Eligible for RRSPs, RRFs, RESPs, RDSPs, DPSPs and TFSAs. See "Eligibility for Investment" in the Prospectus Supplement and the Prospectus.

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 and if the Reference Portfolio Return is negative on the Valuation Date, you will receive an amount which is less than your original principal investment at maturity;
- 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 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 markets instruments.

Investing in the Note Securities involves risks that are described under “Risk Factors” in the Prospectus Supplement and the Prospectus, including, without limitation, the section therein entitled “Certain Risk Factors related to the Index 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 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.

Amounts paid to Holders will depend on the performance of the Reference Portfolio. None of the Bank, its affiliates, the Agents, or 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 at maturity. Since the Note Securities are not protected and the Principal Amount will be at risk (other than the Partial Protection or the minimum Maturity Redemption Payment of 1% of the Principal Amount in the event that the Partial Protection is less than 1%), 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 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.

