



RBC Principal Protected Canadian Banks Plus Growth Notes, Series 1

6.5 year term**100%** Principal
Protection at Maturity**100%** of the appreciation of a
portfolio of 6 Canadian Bank shares

This Note is a 6.5 year investment designed to provide exposure to an equally weighted basket of the six largest Canadian Banks. Investors will receive 100% of the price appreciation, adjusted to reflect the Dividend Ratio, of the Portfolio of Canadian Banks should the Portfolio rise in value and will receive their full principal amount at maturity should the Portfolio decrease in value. The principal amount is guaranteed by RBC on the maturity date of September 11, 2023.

Offering Closes**March 3, 2017****Maturity Date****September 11, 2023****FundSERV****RBC3901****Website****www.rbcnotes.com****Equity Portfolio**

Royal Bank of Canada
Bank of Nova Scotia
Bank of Montreal
Canadian Imperial Bank of Commerce
Toronto-Dominion Bank
National Bank of Canada

INVESTMENT HIGHLIGHTS**Issuer:** Royal Bank of Canada**Currency:** CAD**Term:** Approximately 6.5 years

Portfolio: Return linked to the price performance of a notional portfolio of the common shares of 6 Canadian Banks, equally weighted. Securities do not represent an interest in the Shares and holders have no right or entitlement to the Shares including dividends or other distributions paid thereon (the indicative dividend yield on the Portfolio as of February 1, 2017 was 3.77%, representing an aggregate dividend yield of approximately 27.19% compounded annually over the 6.5 year term, on the assumption that the dividend yield remains constant).

Participation: 100%

Credit Rating: 100% principal protection guaranteed by RBC at maturity. RBC is rated Aa3 by Moody's, AA- by Standard and Poors and AA by DBRS.

Secondary Market: The Notes are tradeable in a daily secondary market, subject to availability, which RBC Capital Markets will use reasonable efforts to provide as outlined in the Information Statement. An early trading charge may apply (initially 3.25%, reducing to 0% after 540 days). Proceeds on sale may be less than the \$100 Principal Amount

Eligibility for**Investment:** RRSPs, RDSPs, RESPs, TFSAs and DPSPs

The deposit notes are not insured under the Canada Deposit Insurance Corporation Act. The Notes are not conventional notes or debt securities. For the various risks associated with such an investment, please see the Risk Factors section of the Information Statement.

SAMPLE CALCULATIONS OF THE PAYMENT AMOUNT

The examples set out below are included for illustration purposes only. The prices of the Shares used to illustrate the calculation of Variable Return are not estimates or forecasts of the Base Prices, Settlement Prices and Dividend Ratios of the Shares on which the calculation of the Percentage Change, and in turn Variable Return, will depend. All examples assume that a Noteholder has purchased Notes with an aggregate Principal Amount of \$10,000 and that no Extraordinary Event has occurred. Capitalized terms which are not otherwise defined herein are defined under “Definitions” in the Information Statement.

Example #1 — Hypothetical calculation of the Payment Amount where Percentage Change is strongly positive. It is assumed that the Base Price, Settlement Price, Initial Dividend Factor and Reinvested Dividend Factor for each Share are as illustrated below (hypothetical). The Payment Amount would be calculated as follows:

Company Name	Symbol	Base Price (\$)	Settlement Price (\$)	share price change	Dividend Ratio*	Adjusted Share Price Change	Component Weight	Weighted Component Change
Royal Bank of Canada	RY	90.30	122.21	35.34%	1.03	38.78%	16.667%	6.46%
Bank of Nova Scotia	BNS	76.87	98.36	27.96%	1.02	30.74%	16.667%	5.12%
Bank of Montreal	BMO	96.20	113.77	18.26%	1.04	23.22%	16.667%	3.87%
Canadian Imperial Bank of Commerce	CM	112.00	212.43	89.67%	1.05	99.31%	16.667%	16.55%
Toronto-Dominion Bank	TD	65.75	105.43	60.35%	0.96	54.49%	16.667%	9.08%
National Bank of Canada	NA	54.69	84.60	54.69%	0.99	53.45%	16.667%	8.91%
Sum of the Weighted Component Changes = 50.000%								50.00%
Percentage Change = 50.000%								50.00%

Sum of the Weighted Component Changes = 50.000%

Percentage Change = 50.000%

Variable Return = \$10,000.00 × 50.000% = \$5,000.00

Payment Amount = \$10,000.00 + \$5,000.00 = \$15,000.00

A sum of the Weighted Component Changes of 50.000% results in a Percentage Change of 50.000% and a Payment Amount of \$15,000.00, which is equivalent to an annually compounded rate of return of 6.44%.

Example #2 — Hypothetical calculation of the Payment Amount where Percentage Change is deemed to be zero. It is assumed that the Base Price, Settlement Price, Initial Dividend Factor and Reinvested Dividend Factor for each Share are as illustrated below (hypothetical). The Payment Amount would be calculated as follows:

Company Name	Symbol	Base Price (\$)	Settlement Price (\$)	share price change	Dividend Ratio*	Adjusted Share Price Change	Component Weight	Weighted Component Change
Royal Bank of Canada	RY	90.30	67.45	-25.30%	1.01	-24.68%	16.667%	-4.11%
Bank of Nova Scotia	BNS	76.87	27.45	-64.29%	0.99	-64.60%	16.667%	-10.77%
Bank of Montreal	BMO	96.20	51.71	-46.25%	1.07	-42.35%	16.667%	-7.06%
Canadian Imperial Bank of Commerce	CM	112.00	43.67	-61.01%	1.07	-58.25%	16.667%	-9.71%
Toronto-Dominion Bank	TD	65.75	21.47	-67.35%	1.00	-67.30%	16.667%	-11.22%
National Bank of Canada	NA	54.69	31.45	-42.49%	0.99	-42.83%	16.667%	-7.14%
Sum of the Weighted Component Changes = -50.000%								-50.00%
Percentage Change = 0.000%								-50.00%

Sum of the Weighted Component Changes = -50.000%

Percentage Change = 0.000%

Variable Return = \$10,000.00 × 0.000% = \$0.00

Payment Amount = \$10,000.00 + \$0.00 = \$10,000.00

A sum of the Weighted Component Changes of -50.000% results in a Percentage Change of 0.000%, which is equivalent to an annually compounded rate of return of 0.00%.

*See the Information Statement for information on the calculation of Dividend Ratio.

An investment in the Notes provides opportunities for investment but may pose risks. See further details under “Risk Factors” in the Information Statement. Specific risks include:

- Interest Payable at Maturity – The Principal Amount plus Variable Return (if any) is payable only at maturity. The future performance of the Equity Portfolio is unknown and could result in no interest being paid should the average of the Share Return Percentages be negative. Noteholders do not have ownership in the Shares and therefore are not entitled to receive dividends or other distributions paid thereon. The dividend yield of the Equity Portfolio was 3.77% as of February 1, 2017 which would equate to 27.19% over the term of the notes assuming dividends remain constant.
- Secondary Market Price – The price for the Note in any secondary market will be based on market conditions and could be above or below the \$100 Principal Amount, subject to an early trading fee of up to 3.25%. RBC reserves the right not to make a secondary market.
- Extraordinary Events – The payment of Variable Return could be accelerated or delayed due to the occurrence of certain Extraordinary Events.

The Information Statement in respect of the RBC Principal Protected Canadian Banks Plus Growth Notes, Series 1 (the “Information Statement”) and this highlight document do not constitute an offer or invitation by anyone in any jurisdiction in which such offer is not authorized or to any person to whom it is unlawful to make such offer or invitation. The offering and sale of the Notes, described in the Information Statement, may be subject to restrictions within any particular province or territory. Royal Bank and the selling agents require persons into whose possession the Information Statement comes to inform themselves of and observe any and all such restrictions. No securities commission or similar authority has in any way passed upon the merits of the Notes and any representation to the contrary may be an offence. This highlight document must be read in conjunction with the Information Statement, which provides additional important disclosures and risk factors in respect of the Notes.