RBC LiONS™ Canadian Life Insurance Booster Securities, Series 3
Non-Principal Protected Security

5.5 Year Term 60.00% Booster No Cap on Return

**KEY TERMS**

Issuer: Royal Bank of Canada

Issuer Credit Ratings: Moody’s: Aa3; S&P: AA-; DBRS: AA

Currency: CAD

Minimum Investment: 50 Debt Securities or $5,000

Term: Approximately 5.5 years

Principal at Risk: The Debt Securities are not principal protected.

Portfolio: Return linked to the price performance of a notional portfolio of the common shares of six Canadian life insurance companies, equally weighted. The Debt Securities do not represent an interest in the Underlying Securities. Holders have no right or entitlement to such securities, including, without limitation, redemption rights (if any), voting rights or rights to receive dividends and other distributions paid on any of the Underlying Securities. The annual dividend yield on the Portfolio as of December 13, 2016 was 3.53%, representing an aggregate dividend yield of approximately 21.022% compounded annually over the five and one-half year term, on the assumption that the dividend yield remains constant.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Exchange</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manulife Financial Corporation (MFC)</td>
<td>TSX</td>
<td>16.667%</td>
</tr>
<tr>
<td>Sun Life Financial Inc. (SLF)</td>
<td>TSX</td>
<td>16.667%</td>
</tr>
<tr>
<td>Great-West Lifeco Inc. (GWO)</td>
<td>TSX</td>
<td>16.667%</td>
</tr>
<tr>
<td>Power Financial Corporation (PWF)</td>
<td>TSX</td>
<td>16.667%</td>
</tr>
<tr>
<td>Power Corporation of Canada (POW)</td>
<td>TSX</td>
<td>16.667%</td>
</tr>
<tr>
<td>Industrial Alliance Insurance and Financial Services Inc. (IAG)</td>
<td>TSX</td>
<td>16.667%</td>
</tr>
</tbody>
</table>

Issue Date: January 27, 2017

Initial Portfolio Value: The “Initial Portfolio Value” for the Portfolio is the Portfolio Value on January 23, 2017.

Final Portfolio Value: The “Final Portfolio Value” for the Portfolio is the Portfolio Value on July 25, 2022.

Maturity Date: July 28, 2022

This summary is qualified in its entirety by a pricing supplement (the “Pricing Supplement”), the base shelf prospectus dated January 21, 2016, the program prospectus supplement dated January 22, 2016 and the product prospectus supplement dated January 22, 2016, in respect of Equity, Unit and Debt Linked Securities.

A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.
Payment at Maturity: Payment at maturity will be based on the price performance (or “Percentage Change”) of the Portfolio measured from the Initial Portfolio Value to the Final Portfolio Value. The amount payable (called the “Redemption Amount”) on each $100 Principal Amount per Debt Security at maturity will be determined as follows:

If the Percentage Change in the Portfolio Value is greater than or equal to 60.00%, then the Redemption Amount will be:

$$100 + (100 \times \text{Percentage Change})$$

If the Percentage Change in the Portfolio Value is zero or positive and less than 60.00%, then the Redemption Amount will be:

$$100 + (100 \times \text{Booster Amount})$$

If the Percentage Change in the Portfolio Value is negative, then the Redemption Amount will be:

$$100 + (100 \times \text{Percentage Change})$$

All dollar amounts will be rounded to the nearest whole cent. The minimum payment at maturity is $1.00.

Percentage Change: The “Percentage Change” is the amount, expressed as a percentage rounded to two decimal places, equal to:

$$\frac{(\text{Final Portfolio Value} - \text{Initial Portfolio Value})}{\text{Initial Portfolio Value}}$$

Booster Amount: 60.00%, applied only if the Percentage Change is greater than or equal to 0% and less than 60.00%.

Secondary Market: FundSERV – RBC3433

Initial Estimated Value: The initial estimated value of the Debt Securities as of December 14, 2016 was $89.85 per Debt Security, which is less than the price to the public and is not an indication of the actual profit to the Bank or its affiliates. The actual value of the Debt Securities at any time will reflect many factors, cannot be predicted with accuracy, and may be less than this amount. The initial estimated value of the Debt Securities is an estimate only and is based on the value of the Bank's obligation to make the payments on the Debt Securities. We describe our determination of the initial estimated value in more detail in the Pricing Supplement.

Hypothetical Calculation of the Initial Portfolio Value:

It is assumed that the aggregate Principal Amount of Debt Securities is $15,000,000 and the (hypothetical) closing prices of the Underlying Securities comprising the Portfolio on the Initial Valuation Date are as illustrated in the table below (note that the Closing Prices for the purposes of the table below have been rounded to two decimal places):

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Symbol</th>
<th>Closing Price</th>
<th>Underlying Security Value in Portfolio</th>
<th>Portfolio Weight</th>
<th>Number of Underlying Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manulife Financial Corporation</td>
<td>MFC</td>
<td>24.39</td>
<td>$2,500,000.00</td>
<td>16.667%</td>
<td>102,503.075</td>
</tr>
<tr>
<td>Sun Life Financial Inc.</td>
<td>SLF</td>
<td>51.62</td>
<td>$2,500,000.00</td>
<td>16.667%</td>
<td>48,431.80937</td>
</tr>
<tr>
<td>Great- West Lifeco Inc.</td>
<td>GWO</td>
<td>35.58</td>
<td>$2,500,000.00</td>
<td>16.667%</td>
<td>70,265.59865</td>
</tr>
<tr>
<td>Power Financial Corporation</td>
<td>PWF</td>
<td>34.50</td>
<td>$2,500,000.00</td>
<td>16.667%</td>
<td>72,465.21739</td>
</tr>
<tr>
<td>Power Corporation of Canada</td>
<td>POW</td>
<td>30.49</td>
<td>$2,500,000.00</td>
<td>16.667%</td>
<td>81,995.7363</td>
</tr>
<tr>
<td>Industrial Alliance Insurance and Financial Services Inc.</td>
<td>IAG</td>
<td>55.15</td>
<td>$2,500,000.00</td>
<td>16.667%</td>
<td>45,331.8223</td>
</tr>
</tbody>
</table>

Hypothetical Calculation of the Final Portfolio Value:

For illustration purposes, it is assumed that no Extraordinary Event has occurred and that the (hypothetical) closing prices of the Underlying Securities comprising the Portfolio on the Final Valuation Date are as illustrated in the table below (note that the Closing Prices for the purposes of the table below have been rounded to two decimal places):

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Symbol</th>
<th>Closing Price</th>
<th>Number of Underlying Securities</th>
<th>Underlying Security Value in Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manulife Financial Corporation</td>
<td>MFC</td>
<td>46.41</td>
<td>102,503.075</td>
<td>$4,756,666.68</td>
</tr>
<tr>
<td>Sun Life Financial Inc.</td>
<td>SLF</td>
<td>98.21</td>
<td>48,431.80937</td>
<td>$4,756,666.68</td>
</tr>
<tr>
<td>Great- West Lifeco Inc.</td>
<td>GWO</td>
<td>67.70</td>
<td>70,265.59865</td>
<td>$4,756,666.68</td>
</tr>
<tr>
<td>Power Financial Corporation</td>
<td>PWF</td>
<td>65.64</td>
<td>72,465.21739</td>
<td>$4,756,666.68</td>
</tr>
<tr>
<td>Power Corporation of Canada</td>
<td>POW</td>
<td>58.01</td>
<td>81,995.7363</td>
<td>$4,756,666.68</td>
</tr>
<tr>
<td>Industrial Alliance Insurance and Financial Services Inc.</td>
<td>IAG</td>
<td>104.93</td>
<td>45,331.8223</td>
<td>$4,756,666.68</td>
</tr>
</tbody>
</table>
Sample Calculations of Redemption Amount

The examples set out below are included for illustration purposes only. The values of the Portfolio used to illustrate the calculation of the payment at maturity are not estimates or forecasts of the Initial Portfolio Value and Final Portfolio Value on which the calculation of the Percentage Change, and in turn the Redemption Amount, will depend. All examples assume that a holder of the Debt Securities has purchased Debt Securities with an aggregate principal amount of $100 and that no Extraordinary Event has occurred.

**Example #1 — Calculation of the Redemption Amount where the Percentage Change is negative.**

Assuming that the Initial Portfolio Value is $15,000,000.00 and the Final Portfolio Value is $1,459,519.92, the Redemption Amount on each $100 Principal Amount Debt Security would be calculated as follows:

- **Initial Portfolio Value** = $15,000,000.00
- **Final Portfolio Value** = $1,459,519.92
- **Percentage Change** = \((\frac{1,459,519.92 - 15,000,000.00}{15,000,000.00})\) = -0.9027 or -90.27%

Since the Percentage Change is negative, the Redemption Amount is calculated as follows:

- **Redemption Amount** = $100 + ($100 × -90.27%) = $9.73

In this example, the Redemption Amount results in a loss on the Principal Amount equivalent to an annually compounded loss rate of 34.53%.

**Example #2 — Calculation of the Redemption Amount where the Percentage Change is negative.**

Assuming that the Initial Portfolio Value is $15,000,000.00 and the Final Portfolio Value is $11,460,000.00, the Redemption Amount on each $100 Principal Amount Debt Security would be calculated as follows:

- **Initial Portfolio Value** = $15,000,000.00
- **Final Portfolio Value** = $11,460,000.00
- **Percentage Change** = \((\frac{11,460,000.00 - 15,000,000.00}{15,000,000.00})\) = -0.2360 or -23.60%

Since the Percentage Change is negative, the Redemption Amount is calculated as follows:

- **Redemption Amount** = $100 + ($100 × -23.60%) = $76.40

In this example, the Redemption Amount results in a loss on the Principal Amount equivalent to an annually compounded loss rate of 4.78%.

**Example #3 — Calculation of the Redemption Amount where the Percentage Change is zero or positive and less than 60.00%.**

Assuming that the Initial Portfolio Value is $15,000,000.00 and the Final Portfolio Value is $18,540,000.06, the Redemption Amount on each $100 Principal Amount Debt Security would be calculated as follows:

- **Initial Portfolio Value** = $15,000,000.00
- **Final Portfolio Value** = $18,540,000.06
- **Percentage Change** = \((\frac{18,540,000.06 - 15,000,000.00}{15,000,000.00})\) = 0.2360 or 23.60%

Since the Percentage Change is zero or positive and less than 60.00%, the Redemption Amount is calculated as follows:

- **Redemption Amount** = $100 + ($100 × 60.00%) = $160.00

In this example, the Redemption Amount provides a return on the Principal Amount equivalent to an annually compounded rate of return of 8.92%.

**Example #4 — Calculation of the Redemption Amount where the Percentage Change is greater than or equal to 60.00%.**

Assuming that the Initial Portfolio Value is $15,000,000.00 and the Final Portfolio Value is $28,540,000.08, the Redemption Amount on each $100 Principal Amount Debt Security would be calculated as follows:

- **Initial Portfolio Value** = $15,000,000.00
- **Final Portfolio Value** = $28,540,000.08
- **Percentage Change** = \((\frac{28,540,000.08 - 15,000,000.00}{15,000,000.00})\) = 0.9027 or 90.27%

Since the Percentage Change is greater than or equal to 60.00%, the Redemption Amount is calculated as follows:

- **Redemption Amount** = $100 + ($100 × 90.27%) = $190.27

In this example, the Redemption Amount provides a return on the Principal Amount equivalent to an annually compounded rate of return of 12.41%.

continued on pg. 4
GRAPHICAL DESCRIPTION OF THE PAYMENT AT MATURITY

The graph set out below is included for illustration purposes only. The values of the Portfolio used to illustrate the calculation of the payment at maturity are not estimates or forecasts of the Initial Portfolio Value and Final Portfolio Value on which the calculation of the Percentage Change, and in turn the Redemption Amount, will depend. This graph shows a limited range of hypothetical returns on the Portfolio and is intended to be representative of that range only. Returns on the Portfolio not shown on the graph are still possible to achieve and the corresponding returns on the Debt Securities should be calculated using the formulas set out in the Pricing Supplement. This graph demonstrates what the return on the Debt Securities will be for a specific return on the Portfolio. There can be no assurance that any specific return will be achieved. All examples assume that a holder of the Debt Securities has purchased Debt Securities with an aggregate Principal Amount of $100 and that no Extraordinary Event has occurred.

All capitalized terms unless otherwise defined have the meaning ascribed to them in the Pricing Supplement.

Clients should evaluate the financial, market, legal, regulatory, credit, tax and accounting risks and consequences of the proposal before entering into any transaction, or purchasing any instrument. Clients should evaluate such risks and consequences independently of Royal Bank of Canada and the Dealers, RBC Dominion Securities Inc. and Richardson GMP Limited, respectively.

The Debt Securities are not fixed income securities and are not designed to be alternatives to fixed income or money market instruments. The Debt Securities are structured products that possess downside risk.

The Debt Securities will not constitute deposits insured under the Canada Deposit Insurance Corporation Act.

An investment in the Debt Securities involves risks. An investment in the Debt Securities is not the same as a direct investment in the securities that comprise the Portfolio and investors have no rights with respect to the securities in the Portfolio. The Debt Securities are considered to be “specified derivatives” under applicable Canadian securities laws. If you purchase Debt Securities, you will be exposed to fluctuations in interest rates and changes in the value of the Portfolio, among other factors. Price changes may be volatile and an investment in the Debt Securities may be considered to be speculative. Since the Debt Securities are not principal protected and the Principal Amount will be at risk, you could lose substantially all of your investment.