

This Pricing Supplement together with the short form base shelf prospectus dated June 20, 2014, as amended or supplemented (the "Prospectus") and the Prospectus Supplement thereto dated September 24, 2015 as amended or supplemented (the "Prospectus Supplement") to which it relates, and each document incorporated by reference into such prospectus constitutes a public offering of securities only in the jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar regulatory authority has in any way passed upon the merits of securities offered hereunder and any representation to the contrary is an offence. The Note Securities to be issued hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended and, subject to certain exemptions, may not be offered, sold or delivered, directly or indirectly, in the United States of America to or for the account or benefit of U.S. persons.

Pricing Supplement No. L02 dated November 23, 2015

(to the short form base shelf prospectus dated June 20, 2014, as supplemented by the Prospectus Supplements dated February 6, 2015 and October 28, 2015, and by the Prospectus Supplement entitled NBC Linear Note Securities Program dated September 24, 2015)



NATIONAL BANK OF CANADA

NBC Linear Note Securities Program

NBC Linear Note Securities linked to a portfolio of Preferred Share ETFs, Class F, due on December 8, 2020

(non principal protected note securities)

Maximum CAD\$30,000,000 (300,000 Note Securities)

No minimum amount of funds must be raised under this offering. This means that the Bank could complete this offering after raising only a small proportion of the offering amount set out above.

This Pricing Supplement supplements the short form base shelf prospectus dated June 20, 2014 relating to \$3,500,000,000 Medium Term Notes of the Bank, as amended or supplemented, and the Prospectus Supplement dated September 24, 2015. If the information in this Pricing Supplement differs from the information contained in the Prospectus and/or the Prospectus Supplement, you should rely on the information in this Pricing Supplement. Holders should carefully read this Pricing Supplement, the Prospectus Supplement and the accompanying Prospectus to fully understand the information relating to the terms of the Note Securities and other considerations that are important to Holders. All three documents contain information Holders should consider when making their investment decision. The information contained in this Pricing Supplement and the accompanying Prospectus and Prospectus Supplement is current only as of the date of each.

The initial estimated value of the Note Securities is equivalent to the Reference Portfolio Initial NAV and as of the date of the Issuance Date is \$100 per \$100 in Principal Amount. This estimated value reflects the fact that there are no Up-front Selling Commission and the Up-front Structuring Amount. The actual value of the Note Securities at any time will reflect many factors, cannot be predicted with accuracy, and may be less than this amount.

The initial estimated value does not represent a minimum price at which the Bank, National Bank Financial Inc. or any of the Bank's other affiliates would be willing to purchase the Note Securities in any secondary market (if any exists) at any time. If you attempt to sell the Note Securities prior to maturity, their market value may be lower than the issue price and lower than the initial estimated value. This is due to, among other things, changes in the Closing Level of the Reference Asset. Various market and economic factors over the term of the Note Securities will impact the price at which you may be able to sell the Note Securities in any secondary market and will affect the value of the Note Securities in complex and unpredictable ways.

Each of the Trailer Percentage, the Structuring Trailer Percentage, the FX Funding Amount spread, if any, will reduce daily the Reference Portfolio NAV.

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.

The Note Securities constitute direct, unsecured and unsubordinated debt obligations of the Bank ranking *pari passu* with all other present and future unsecured and unsubordinated indebtedness of the Bank. **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. 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. See “Risk Factors” in the Prospectus Supplement and the Prospectus.

The Note Securities are not redeemable prior to maturity, except by the Bank pursuant to a Reimbursement Under Special Circumstances. See “Description of the Note Securities – Reimbursement Under Special Circumstances and Payment” in the Prospectus. The Note Securities will not be listed on any securities exchange or quotation system. National Bank Financial Inc. intends to maintain, under normal market conditions, a daily secondary market for the Note Securities. National Bank Financial Inc. may 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. Moreover, Holders selling their Note Securities prior to maturity may be subject to certain fees. See “Secondary Market for the Note Securities” in the Prospectus Supplement. National Bank Financial Inc. is an indirect wholly-owned subsidiary of the Bank. **As a result, the Bank is a “related issuer” and a “connected issuer” of National Bank Financial Inc. within the meaning of the securities legislation of certain provinces of Canada.** See “Plan of Distribution” in the Prospectus Supplement and in the Prospectus.

Issuer:	National Bank of Canada
Note Securities Offered:	NBC Linear Note Securities linked to a portfolio of Preferred Share ETFs, Class F, due on December 8, 2020
Principal Amount:	\$100
Minimum Subscription:	\$5,000 (50 Note Securities) and integral multiples of \$100 (1 Note Security) in excess thereof.
Issuance Date:	December 8, 2015
Maturity Date:	December 8, 2020

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
Units of the Horizons Active Preferred Share ETF – Class E	HPR	TSX	Closing price	Exchange-traded fund	CAD	N/A	50.00%
Units of the BMO Laddered Preferred Share Index ETF	ZPR	TSX	Closing price	Exchange-traded fund	CAD	N/A	25.00%
Units of the iShares U.S. Preferred Stock ETF	PFF	NYSE ARCA	Closing price	Exchange-traded fund	USD	FX Hedged	25.00%

Moreover, the Note Securities constitute Fund Linked Note Securities under the Prospectus.

Note Securities Currency: Canadian dollars

Rebalancing Dates:

Rebalancing Date
June 8, 2016
December 8, 2016
June 8, 2017
December 8, 2017
June 8, 2018
December 10, 2018
June 10, 2019
December 9, 2019
June 8, 2020

ROC Payment Type: None

Final Valuation Date: December 3, 2020, subject to postponement in certain circumstances as described in the Prospectus and Prospectus Supplement.

Reference Portfolio Initial NAV: \$100.00

Agents: National Bank Financial Inc. and Laurentian Bank Securities Inc. Laurentian Bank Securities Inc. will act as Independent Agent.

Fees affecting the Closing Level of the Reference Funds: The Closing Level and Distribution Amounts of the Reference Funds used to calculate the Reference Asset NAV Change will be net of the fees and expenses charged by or assumed by the Reference Funds, which will therefore be indirectly assumed by investors in the Note Securities. Such fees and expenses include annual management fees payable by the Reference Funds to their trustee and/or investment advisor, operating expenses and transaction costs of the Reference Funds including brokerage commissions payable on the purchase and sales of the securities held by the Reference Funds. See the disclosure of the fees and expenses in the Reference Funds' continuous disclosure materials (which are not incorporated herein by reference).

For the year ended December 31, 2013, the management expense ratio which includes the management fee payable by the Horizons Reference Fund (defined below in the section entitled Reference Assets) to AlphaPro Management Inc. for acting as its trustee, promoter and manager, Horizons ETFs Management (Canada) Inc. for acting as its investment manager, Fiera Capital Corporation for acting as its sub-advisor, and CIBC Mellon Global for acting as its valuation agent, represented an annual rate of 0.64% of the Horizons Reference Fund's average daily net asset value during the year.

For the year ended December 31, 2014, the management expense ratio which includes the management fee payable by the BMO Reference Fund (defined below in the section entitled Reference Assets) to BMO Asset Management for acting as its trustee, manager and portfolio manager, promoter and valuation agent represented an annual rate of 0.51% of the BMO Reference Fund's average daily net asset value during the year.

For the year ended December 31, 2014, the management expense ratio which includes the management fee payable by the iShares Reference Fund (defined below in the section entitled Reference Assets) to BlackRock Fund Advisor (defined below) for acting as its investment manager, represented an annual rate of 0.47% of the iShares Reference Fund's average daily net asset value during the year.

Eligibility for Investment: Eligible for RRSPs, RRIFFs, RESPs, RDSPs, DPSPs and TFSAs. See "Eligibility for Investment" in the Prospectus Supplement and in the Prospectus.

FundSERV: NBC2360

COSTS AND EXPENSES

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%.

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 (up to 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.
Independent Agent Fee:	Up to \$0.15 per Note Security (up to 0.15% of the Principal Amount of each Note Security sold), paid by the Bank out of its own funds.
Early Trading Charge:	No Early Trading Charge.

REFERENCE ASSETS

The following contains a brief description of the issuer of each of the Reference Assets and, where applicable, the index each such issuer seeks to replicate and tables illustrating the historical price performance of the Reference Assets.

See “Public Information – Fund Linked Note Securities” in the Prospectus. All data and information below is sourced from Bloomberg and/or publicly available sources.

This information is derived solely from publicly available information and neither the Bank, the Agents nor any of their respective affiliates make any assurances, representations or warranties as to the accuracy, reliability or completeness of such information.

Horizons Active Preferred Share ETF

The Horizons Active Preferred Share ETF (the “Horizons Reference Fund”) is an exchange-traded fund established as trust under the laws of the Province of Ontario. While the Horizons Reference Fund is a mutual fund under the securities legislation of certain provinces and territories of Canada, it has been granted exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds.

AlphaPro Management Inc. is the trustee, promoter and manager of the Horizons Reference Fund, whereas Horizons ETFs Management (Canada) Inc. acts as its investment manager, Fiera Capital Corporation, as its sub-advisor, and CIBC Mellon Global, as its valuation agent.

The units of the exchange traded fund Horizons Reference Fund are listed on the TSX under the symbol “HPR”. The investment objective of the Horizons Reference Fund is to provide dividend income while preserving capital by investing primarily in preferred shares of Canadian companies. The Horizons Reference Fund may also invest in preferred shares of companies located in the United States, fixed income securities of Canadian and U.S. issuers, including other income generating securities, as well as Canadian equity securities and exchange traded funds that issue index participation units. The Horizons Reference Fund, to the best of its ability, seeks to hedge its non-Canadian dollar currency exposure to the Canadian dollar at all times.

Further information about the Horizons Reference Fund is available on the following website: www.horizonsetfs.com and information from this website is not incorporated by reference into this Pricing Supplement.

BMO Laddered Preferred Share Index ETF

The BMO Laddered Preferred Share Index ETF (the “BMO Reference Fund”) is an exchange-traded fund established as trust under the laws of the Province of Ontario. While the BMO Reference Fund is a mutual fund under the securities legislation of certain provinces and territories of Canada, it has been granted exemptive relief from certain provisions of Canadian securities legislation applicable to conventional mutual funds.

BMO Asset Management is the trustee, manager, portfolio manager, promoter, and valuation agent of the BMO Reference Fund and is responsible for the administration of the BMO Reference Fund.

The units of the exchange traded fund BMO Reference Fund are listed on the TSX under the symbol “ZPR”. The BMO Reference Fund has been designed to replicate, to the extent possible, the performance of the Solactive Laddered Canadian Preferred Share Index, net of expenses. The BMO Reference Fund invests in and holds the constituent securities of the Solactive Laddered Canadian Preferred Share Index in the same proportion as they are reflected in the Solactive Laddered Canadian Preferred Share Index.

Further information about the BMO Reference Fund is available on the following website: <http://www.etfs.bmo.com/> and information from this website is not incorporated by reference into this Pricing Supplement.

Solactive Laddered Canadian Preferred Share Index

The Solactive Laddered Canadian Preferred Share Index includes Canadian preferred shares that meet size, liquidity, listing and quality criteria. The Solactive Laddered Canadian Preferred Share Index uses a five year laddered structure where annual buckets are equal weighted while constituent securities within each bucket are market capitalization weighted.

iShares U.S. Preferred Stock ETF

The iShares U.S. Preferred Stock ETF (the “iShares Reference Fund”) is an exchange-traded fund incorporated in the United States. BlackRock Fund Advisors is the manager of the iShares Reference Funds and is responsible for the day-to-day administration of the iShares Reference Funds.

The units of the exchange traded fund iShares U.S. Preferred Stock ETF are listed on the NYSE under the symbol “PFF”. The iShares U.S. Preferred Stock ETF seeks to track the investment results of an index composed of U.S. preferred stocks, the S&P U.S. Preferred Stock Index.

Further information about the iShares Reference Fund is available on the following website: www.ishares.com and information from this website is not incorporated by reference into this Pricing Supplement.

S&P U.S. Preferred Stock Index

The S&P U.S. Preferred Stock Index measures the performance of a select group of preferred stocks listed on the New York Stock Exchange, NYSE Arca, Inc., NYSE Amex, NASDAQ Global Select Market, NASDAQ Select Market or NASDAQ Capital Market. The S&P U.S. Preferred Stock Index includes preferred stocks with a market capitalization over \$100 million that meet minimum price, liquidity, trading volume, maturity and other requirements determined by S&P Dow Jones Indices LLC. The S&P U.S. Preferred Stock Index excludes certain issues of preferred stock, such as those that are issued by special ventures (e.g., toll roads or dam operators) or structured products and brand name products issued by financial institutions that are packaged securities linked to indices or other stocks.

Historical Reference Assets Data

The following table shows the calendar year and year-to-date (“YTD”) price performance of each of the Reference Assets which are included in the Reference Portfolio. The YTD price performance is as of November 12, 2015. **Historical performance is not a guarantee of future performance.** Each year is measured starting from the month of December of the previous year indicated. For example: the year 2014 below refers to the year as measured from December 31, 2013 to December 31, 2014.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	YTD
Units of the Horizons Active Preferred Share ETF - Class E	n.a	n.a	n.a	n.a	n.a	n.a	1.90%	1.38%	-4.75%	2.03%	-14.96%
Units of the BMO Laddered Preferred Share Index ETF	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	-7.44%	0.29%	-21.40%
Units of the iShares U.S. Preferred Stock ETF	n.a	n.a	n.a	-29.36%	25.64%	5.80%	-8.27%	11.23%	-7.04%	7.09%	-0.86%

The following table shows the price performance of each of the Reference Assets included in the Reference Portfolio from the period beginning on November 12, 2005 (or the actual first date of trading on which any of the Reference Assets were listed on the Exchange, if later) and ending on November 12, 2015. The performance for periods that are less than one year is cumulative and is not annualized, and the performance for periods of one year or more is annualized. **Historical performance is not a guarantee of future performance.**

	1 month	3 months	6 months	1 year	2 years	3 years	4 years	5 years	10 years
Units of the Horizons Active Preferred Share ETF - Class E	7.84%	-1.95%	-10.40%	-15.63%	-7.27%	-6.18%	-4.11%	n.a	n.a
Units of the BMO Laddered Preferred Share Index ETF	12.62%	-2.14%	-13.37%	-22.46%	-12.03%	n.a	n.a	n.a	n.a
Units of the iShares U.S. Preferred Stock ETF	0.80%	-0.86%	-0.91%	-1.78%	1.72%	-0.60%	1.47%	-0.26%	n.a

INVESTMENT STRATEGY SUPPORTING A PURCHASE OF THE NOTE SECURITIES

You should consider a purchase of the Note Securities if you expect that the Reference Portfolio Final NAV will be greater than the Principal Amount and thus generate a positive return.

You should consider a purchase of the Note Securities rather than alternative investment in the same asset class as the Reference Portfolio if you expect that the Note Securities will deliver a superior or comparable risk-adjusted return. If your expectations differ from this, you should consider alternative investments rather than an investment in the Note Securities.

You should consider a purchase of the Note Securities rather than a direct purchase of the Reference Assets (if such direct purchase is possible), if you want the transparency of a systematic rule-based investment strategy that is based on publicly available data and the convenience provided by automatic reinvestment of the Distribution Amount, automatic rebalancing and daily FX hedging with respect to the iShares Reference Fund. If you think these benefits do not merit the additional costs, if any, of investing in the Note Securities instead of a direct purchase of the Reference Assets, you should consider a direct purchase of the Reference Assets rather than an investment in the Note Securities.

You should consider a purchase of the Note Securities where one of the Reference Assets is an FX Hedged Type, if you expect that the Note Securities Currency will appreciate against Reference Asset Currency of this Reference Asset during the term of the Note Securities or if you want to partially reduce the risk that may arise due to currency fluctuations.

SUITABILITY OF THE NOTE SECURITIES FOR INVESTORS

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

- (i) 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;
- (ii) 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;
- (iii) 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;
- (iv) your investment strategy should be consistent with the investment features of the Note Securities;
- (v) your investment time horizon should correspond with the term of the Note Securities; and
- (vi) your investment will be subject to the risk factors summarized in the section “Risk Factors” in this Pricing Supplement, the Prospectus Supplement and the Prospectus.

ABOUT THE ISSUERS OF THE REFERENCE ASSETS

The Horizons Reference Fund and the BMO Reference Fund are reporting issuers or the equivalent in Canada and is required to file periodically certain financial and other information specified by securities legislation. The information provided to or filed electronically with the securities regulatory authorities can be accessed through SEDAR, a filing system developed for the Canadian Securities Administrators that provides access to most public securities documents and information filed by public companies and investment funds with the Canadian Securities Administrators. SEDAR's website is www.sedar.com. See “Public Information – Fund Linked Note Securities”.

The iShares Reference Fund is a reporting issuer or the equivalent in the United States and is required to file periodically certain financial and other information specified by securities legislation. The information provided to or filed electronically with the securities regulatory authorities can be accessed through EDGAR Database on the Securities and Exchange Commission's website, a filing system that provides access to most public securities documents and information filed by public companies and investment funds with the Securities and Exchange Commission. The Securities and Exchange Commission's website is www.sec.gov/edgar.shtml. See “Public Information – Fund Linked Note Securities”.

This Pricing Supplement relates only to the Note Securities offered hereby and does not relate to the Reference Assets or other securities of the issuer of each of the Reference Assets. The Bank and the Agents have not had an opportunity to verify the accuracy or completeness of any information contained in such documents and information or to determine if there has been any omission by the issuer of each of the Reference Assets to disclose any facts, information or events which may have occurred prior to or subsequent to the date as of which any information contained in such documents and information has been furnished by the issuer of each of the Reference Assets which may affect the significance or accuracy of any information contained in any such documents and information. Neither the Bank nor any Agent makes any representation that such publicly available documents or any other publicly available information regarding the issuer of each of the Reference Assets or the Reference Assets are accurate or complete.

The issuers of the Reference Assets are not an affiliate of the Bank and its affiliates. The issuers of the Reference Assets have not participated in the preparation of this Pricing Supplement, do not take any responsibility or assume any liability with respect to the accuracy or completeness of any information contained herein and make no representation regarding the advisability of purchasing the Note Securities.

The Note Securities are not in any way sponsored, endorsed, sold or promoted by the issuers of the Reference Assets. The issuers of the Reference Assets are not responsible for and have not participated in the determination of the timing, pricing or number of Note Securities to be issued. The issuers of the Reference Assets do not have any statutory liability with respect to the accuracy or completeness of any of the information contained in this Pricing Supplement and have no obligation or liability in connection with the administration, marketing or trading of the Note Securities. Investing in the Note Securities is not equivalent to investing in the Reference Assets. The issuance of the Note Securities is not a financing for the benefit of any of the issuers of the Reference Assets or any insiders of any of the issuers of the Reference Assets.

Prospective investors should independently investigate the issuers of the Reference Assets and decide whether an investment in the Note Securities is appropriate.

DOCUMENTS INCORPORATED BY REFERENCE

In addition to this Pricing Supplement, the following documents are specifically incorporated by reference into, and form an integral part of, the Prospectus as of the date of this Pricing Supplement:

- (i) the Material Change Report dated October 1, 2015 in connection with the Bank's announcement of a bought deal common share offering for \$300 million to strengthen its capital base. National Bank also announced that it expects to take a charge in its fiscal 2015 fourth quarter earnings relating to certain restructuring initiatives aggregating to a total of approximately \$85 million, or \$64 million after tax.

CHANGE TO CAPITAL OF THE BANK

On November 2, 2015, the Bank completed the redemption of \$500 million of the Medium Term Notes maturing in November 2020, at a redemption price equal to their principal amount together with any accrued and unpaid interest to but excluding the date of the redemption.

On November 15, 2015, the Bank completed the redemption of all of the issued and outstanding Non-Cumulative Fixed-Rate Series 20 First Preferred Shares, at a redemption price equal to \$25.50 per share together with all declared and unpaid dividends. Pursuant to the shares conditions, the payment of the redemption price was made on Monday November 16, 2015, being the first business day following the redemption date.

MARKETING MATERIALS

Any template version of "marketing materials" (as defined in *National Instrument 41-101 – General Prospectus Requirements*) filed with the securities regulatory authorities in each of the provinces of Canada in connection with this offering after the date of filing hereof but prior to the termination of the distribution of the Note Securities under this Pricing Supplement (including any amendments to, or an amended version of, the marketing materials) is deemed to be incorporated by reference herein. Any such marketing materials are not part of this Pricing Supplement to the extent that the contents of the marketing materials have been modified or superseded by a statement contained in an amendment to this Pricing Supplement.