

# Case Study: FNFA - C\$126 million 10-year New Issue



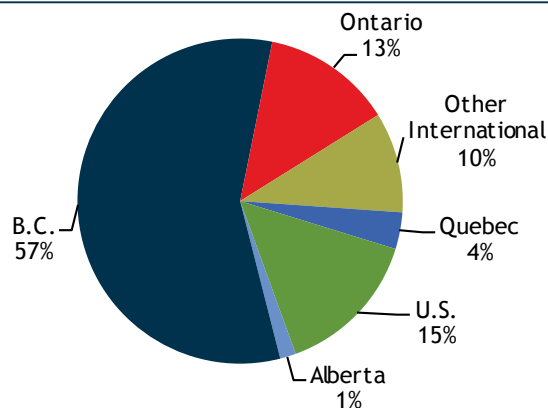
## Summary Terms

<b>Issuer:</b>	First Nations Finance Authority
<b>Pricing date:</b>	October 19, 2017
<b>Settlement date:</b>	October 26, 2017 (T+5)
<b>Size:</b>	C\$126 million
<b>Maturity:</b>	June 1, 2028 (New Issue)
<b>Coupon:</b>	3.05%
<b>Term:</b>	10 Year
<b>Rating:</b>	Moody's: A2 S&P: A-
<b>Canada Benchmark:</b>	1.00% June 2027
<b>Re-Offer Spread:</b>	+107 bps
<b>Spread vs. Ontario:</b>	+31 bps
<b>Issue Price:</b>	C\$99.813
<b>Issue Yield:</b>	3.071%
<b>Lead:</b>	National Bank Financial Inc.

## Highlights

- Marked FNFA's fourth financing in the debt capital markets
  - Largest transaction to-date for FNFA
- FNFA upgraded by Moody's two days prior to the deal (A2 from A3)
- Deal followed a number of investor relations initiatives that continue to expand the buyer base for the credit
  - 19 investors (5 new to the program)
  - Order book was over 2x oversubscribed (C\$278 million)
- Capital markets program continues to see growth and traction with new investors - Good breadth of investor participation in Canada and internationally
- Proceeds of the deal used to pay down credit facility which was used to provide interim financing to Borrowing Members
- Deal launched at a spread of +108 bps (+/- 1 bp) vs. Canada and priced at +107 bps (tight end of guidance)
- Deal was marketed in the "low 30s" vs Ontario and ended up pricing at Ontario +31 bps
  - Tightest pricing relative to Ontario of all FNFA's financing

## Sales Distribution by Geography



## Sales Distribution by Buyer Type

