

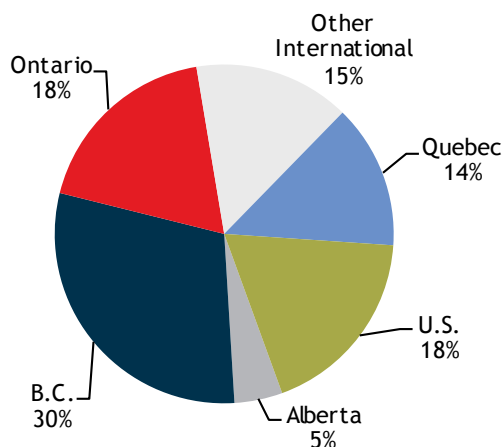
# Case Study: FNFA - C\$138 million 10-year Re-Opening



## Summary Terms

<b>Issuer:</b>	First Nations Finance Authority
<b>Pricing date:</b>	September 18, 2018
<b>Settlement date:</b>	September 25, 2018 (T+5)
<b>Deal Size:</b>	C\$138 million
<b>Total Outstanding:</b>	C\$264 million
<b>Maturity:</b>	June 1, 2028 (Re-Opening)
<b>Coupon:</b>	3.05%
<b>Term:</b>	10 Year
<b>Rating:</b>	Moody's: A2 S&P: A+
<b>Canada Benchmark:</b>	2.00% June 2028
<b>Re-Offer Spread:</b>	+93.0 bps
<b>Spread vs. Ontario:</b>	+25.0 bps
<b>Issue Price / Yield:</b>	C\$97.996 / 3.293%
<b>Lead:</b>	National Bank Financial Inc.

## NBF's Sales Distribution by Geography



## Highlights

- Marked FNFA's fifth financing in the debt capital markets
  - Largest transaction to-date for FNFA
- FNFA upgraded by S&P by two notches in August (from A- to A+)
- First deal completed using "firm bond" distribution
- Re-opening of existing bond helped build up size O/S to enhance future liquidity in the secondary market
- Capital markets program continues to see growth and traction with investors - Good investor participation in Canada and internationally
  - NBF had to turn away a number of orders due to demand exceeding the amount of bonds we had to offer
  - NBF had 12 buyers on the deal (3 new to FNFA)
- FNFA 2028s had been trading in the ONT+mid 20s" range in the weeks leading up to the deal
- Tightest ever pricing relative to Ontario (+25 bps)
  - June 2014: ONT+37 bps, July 2015: ONT+50 bps, June 2016: ONT+58 bps, October 2017: ONT+31 bps

## NBF's Sales Distribution by Buyer Type

