



For Immediate Release

FNFA Credit Rating Upgraded to Aa3 from A2 by Moody's Investors Service

Westbank, British Columbia (May 15, 2020) – Ernie Daniels, President & CEO, is pleased to announce that the First Nations Finance Authority (FNFA) has received a two-notch upgrade to Aa3-Stable from Moody's. Obligations rated at the Aa level are judged to be of high quality and are subject to very low credit risk.

"We have gained momentum, and this upgrade to our credit rating is another milestone," explains Daniels. Approximately 300 out of 634 First Nations across Canada have opted into the *First Nations Fiscal Management Act*, signifying their desire to join the FNFA. To date, a total of 106 First Nations from 8 provinces and 1 territory have completed FNFA's steps-to-membership. The FNFA loans have been used to build schools, administrative buildings, health centres, renewable energy, social housing, and economic development. The loans are backed by First Nations "Own Source Revenues", which are outside of taxpayer funded programming and have created almost 9,000 jobs. FNFA's first loan was issued in 2012 and there has never been a late payment nor default on payment.

The FNFA Board of Directors, membership and staff looks forward to continuing its work with First Nations governments from coast to coast to coast.

FNFA is a non-profit First Nation institution established pursuant to the federal First Nations Fiscal Management Act, that provides any qualifying First Nation from across Canada with access, via the FNFA, to the capital markets. The First Nations govern the FNFA, as members elect from amongst themselves a Board of Directors.

FNFA facilitates loans to its Borrowing Members from the proceeds of bond issuances. These loans can have repayment terms up to 30 years and offer fixed-rate options to assist the member First Nation's budgeting needs. To fund member's borrowing requirements prior to an expected bond issuance date, the FNFA also offers short-term loans at below Bank Prime. Short-term loans are rolled over into each new bond. As more First Nations qualify to become Borrowing Members, the FNFA will continue to grow and diversify, looking to strengthen its credit rating and consequently the financial benefits to its members.

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Source: Toronto, May 13, 2020 -- Moody's Investors Service, ("Moody's") has upgraded the First Nations Finance Authority's (FNFA) issuer and long-term senior unsecured debt ratings to Aa3 from A2. The outlook is stable. Concurrently the Baseline Credit Assessment (BCA) of FNFA was upgraded to a1 from baa1. Today's action concludes the review for upgrade initiated on 14 April 2020 "Moody's places FNFA's ratings on review for upgrade following publication of updated pool program methodology"