



***For Immediate Release***

**First Nations Finance Authority Commercial Paper Rated by DBRS Morningstar**

Westbank, British Columbia (September 15, 2021) - The First Nations Finance Authority has received a rating of R-1 (middle), Stable Trend from the bond-rating service DBRS Morningstar, for its upcoming commercial paper program. A \$400 million initiative, the commercial paper program will see FNFA provide bridge financing to eligible members at a lower cost than the secured credit facility currently being used. Loan rates to FNFA members will commence at 1.75%.

In assigning the rating, DBRS Morningstar noted a number of strengths that the FNFA demonstrates, including:

- the high-quality revenues provided as security by borrowing First Nations;
- the ability to replenish debt reserves;
- the credit characteristics of its borrowing First Nations; and
- the right to require third-party intervention into a borrowing member's finances.

**"We are very pleased to obtain this rating, and to launch our commercial paper program," said FNFA President & CEO Ernie Daniels. "Alongside the strong ratings we have for our primary offering - long-term, securitized loans to First Nations - this is another vote of confidence in the First Nations economy in Canada."**

DBRS Morningstar also noted that the number of FNFA members and the associated loan portfolio are expected to grow steadily over time.

**"We have already seen rapid growth in our membership, with approximately half of First Nations now scheduled and eligible to participate, and in our loan portfolio, which is now close to \$2 billion," said Daniels. "The last federal budget expanded the types of revenue that could be securitized by the FNFA, and during the election campaign we have also seen proposals from political parties to make the FNFA a key component in financing much-needed infrastructure development in eligible communities. We are very confident that we'll see significant expansion over the next couple of years."**

**About the First Nations Finance Authority (FNFA)**

The FNFA is a not-for-profit First Nation institution that plays a crucial role in the social and economic development of First Nations across Canada by providing qualifying First Nations with access to the capital markets at competitive rates. All First Nations are eligible to become FNFA members. Established by the federal First Nations Fiscal Management Act in 2005, FNFA is by First Nations, for First Nations. The FNFA will continue to expand and diversify, looking to strengthen its credit rating and increase the financial benefits to its growing membership.

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