

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



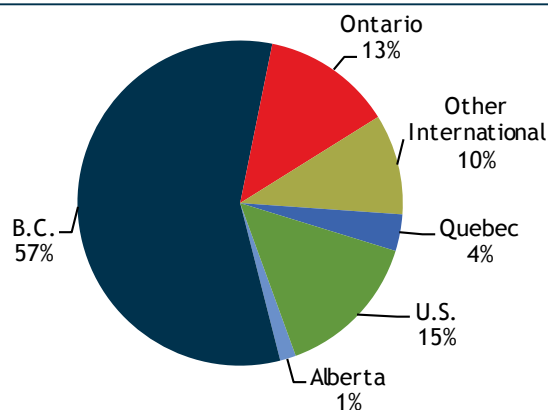
Summary Terms

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

