

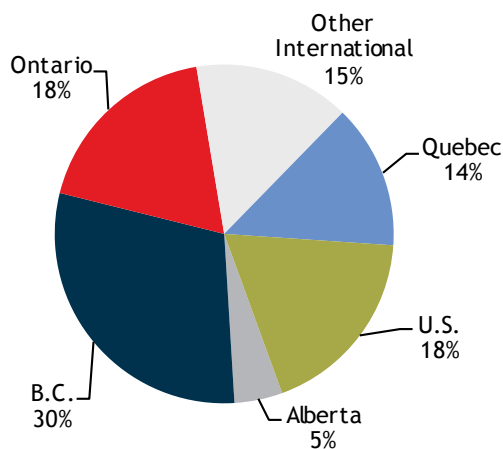
Case Study: FNFA - C\$138 million 10-year Re-Opening



Summary Terms

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

