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Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions – Securities Act*, R.S.B.C. 1996, c. 418, section 76 – Exemption from the prospectus requirement (for distributions without a prospectus) – Distributions of debt securities that are analogous to debt securities of or guaranteed by any municipal corporation in Canada, or debt securities secured by or payable out of rates or taxes levied under the law of a jurisdiction of Canada on property in the jurisdiction or on certain other revenues

Applicable Legislative Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 76

February 10, 2026

In the Matter of
the Securities Legislation
of British Columbia and Ontario
(the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
First Nations Finance Authority
(the Filer)

Decision

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the prospectus requirement of the Legislation does not apply to the distribution of debt securities of the Filer (the Exemption Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, the Northwest Territories and Nunavut, and

(c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

¶ 2 Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

¶ 3 This decision is based on the following facts represented by the Filer:

1. on April 1, 2006, the *First Nations Fiscal Management Act* (Canada) (the Federal Act) came into force;
2. the Filer was established pursuant to the Federal Act as a non-profit corporation without share capital;
3. the Filer's head office is located in the Province of British Columbia;
4. the Filer is not and has no current intention of becoming a reporting issuer in any jurisdiction of Canada;
5. no securities of the Filer, including debt securities, are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;
6. the Filer is not in default of securities legislation in any jurisdiction of Canada;
7. the Federal Act, together with the regulations thereunder (the Federal Regulations), creates a comprehensive fiscal management system to facilitate orderly capital market borrowings by First Nations and other Indigenous groups and entities (collectively, the Borrowers), whose eligibility is determined by the Federal Act and the Federal Regulations; the Filer, as the central borrowing agency for the Borrowers, distributes debt securities in the capital markets, and the Federal Act establishes safeguards for the repayment obligations of the Filer to holders of the debt securities;
8. a stated rationale of the Federal Act is to provide First Nations and other Indigenous groups with access to capital markets in parity with other governments in Canada, and to recognize the Aboriginal right to self-government;
9. the Filer has obtained a credit rating from a designated rating organization (as defined in National Instrument 45-106 *Prospectus Exemptions* (NI 45-106));
10. the Filer has been distributing debt securities in reliance on a decision dated April 28, 2017, from the securities regulatory authority or regulator in British Columbia and Ontario made under MI 11-102 and *National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions*, that the prospectus requirement of the Legislation does not apply to distributions or trades of Debt Securities of the Filer (the Previous Decision);
11. similar decisions that provided exemptive relief from the prospectus requirement for distributions of debt securities of the Filer were made by the securities regulatory authority or regulator in British Columbia and Ontario in 2011 and 2008;

12. the continued effectiveness of the Previous Decision is conditional upon the Federal Act not being amended in a manner such that certain representations in the Previous Decision are no longer true;
13. pending amendments to the Federal Act will result in such representations in the Previous Decision no longer being true; and
14. accordingly, the Filer will not be able to continue to distribute debt securities unless the Exemption Sought is granted.

Decision

¶ 4 Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted, provided that this decision will terminate if the prospectus exemption in subsection 2.34(2) of NI 45-106 (the specified debt exemption) is amended such that the specified debt exemption would apply to the distribution of a debt security of the Filer.

John Hinze
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British Columbia Securities Commission