



**Municipal Finance
Authority of BC**

\$500,000,000

Municipal Finance Authority of British Columbia

2.30% Debentures, Series EP, to mature April 15, 2031

To be dated May 28, 2021 (the “Debentures”)

Price: \$100.025, plus accrued interest, if any, to yield 2.297%

The Debentures will be represented by one fully registered global certificate (the “Global Debenture”), registered in the name of CDS & Co., as nominee of CDS Clearing and Depository Services Inc. (“CDS”) and held by CDS. Beneficial interests in the Debentures will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants of CDS. Physical certificates representing the Debentures may not be obtained by beneficial owners, except in limited circumstances and only in denominations of \$1,000 or integral multiples thereof.

Principal and half-yearly interest (payable each April 15 and October 15 through to maturity) on the Global Debenture will be payable to the registered holder, CDS, with the first interest payment being due on October 15, 2021 in respect of the period from April 15, 2021 to October 15, 2021. Owners of beneficial interests in the Global Debenture will receive payment in accordance with customary procedures of CDS.

The Debentures will be direct and unconditional unsecured obligations of the Municipal Finance Authority of British Columbia (the “Authority”) and shall rank *pari passu* with all other unsecured obligations of the Authority, without preference or priority one above the other, whether by reason of prior date of issue, currency of payment or otherwise. The Debentures shall be entitled to the benefits of the debt reserve fund of the Authority and the power of the Authority to impose tax rates without the permission or approval of any other government authority upon substantially all of the taxable land and improvements in British Columbia in order to maintain the debt reserve fund. Obligations of the Authority are not obligations of the Province of British Columbia and are not directly or indirectly guaranteed by the Province of British Columbia.

Net proceeds realized by the issuance of debentures of the Authority are utilized to provide financing to regional districts, regional hospital districts and other entities within the local government sector in British Columbia to assist in funding a broad range of undertakings for the benefit of local communities and society as a whole across British Columbia. Financing proceeds may be utilized by the applicable local governmental authorities to finance, or to repay short-term indebtedness already incurred in connection with, the acquisition and/or construction of capital facilities and other assets or, in the case of regional districts, to “on-lend” certain of such proceeds to their incorporated member municipalities for use by them for such purposes. Many of the projects undertaken with the benefit of financing made available by the Authority are aligned with the United Nations’ Sustainable Development Goals (“UN SDGs”). We have summarized in Appendix A the proposed use of proceeds information and the applicable UN SDG categories with respect to this issue of Debentures. While not certified as such, the Authority believes the Debentures may be viewed as “sustainable bonds”, consistent with sustainable development goals established by the United Nations, insofar as the proceeds thereof are to be utilized to support and advance various environmental, social and good-governance initiatives throughout the province.

We offer these Debentures if, as and when issued by us, subject to prior sale and change in price and subject to approval of all legal matters by Lawson Lundell LLP, Vancouver. It is expected that delivery of the Global Debenture will be made on or about May 28, 2021.

**BMO Capital Markets
TD Securities**

**CIBC Capital Markets
Laurentian Bank Securities**

**National Bank Financial
Casgrain & Company**

**RBC Capital Markets
Scotia Capital**

Appendix A:

Use of Proceeds & Alignment with the United Nations' Sustainable Development Goals

Use of Proceeds by Purpose¹

Sewer/Drainage	74.00%
Water	26.00%

Use of Proceeds by UN Sustainable Development Goal*

06 - Clean Water & Sanitation	100.00%
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Use of proceeds by purpose may align with and benefit multiple UN SDGs. For practicality, the Authority aligns each project (loan) to a UN SDG based upon the primary objective of the project and the area in which the project will have the most significant impact.

The Authority's use of proceeds disclosures enhances transparency and mapping to environmental, social and good governance factors. Due to the prime purpose of local governments, proceeds ultimately support communities and society. Similarly, some proceeds are intended for environment-supporting projects.

The percentages shown in the tables above are in reference to this specific issue or tranche and may not reflect previous offerings under this maturity, if applicable.

¹ Please note that the percentages provided are approximate only.