

1. FINOVA Capital was incorporated under the laws of Delaware on July 21, 1965, is the successor to a California corporation that was formed on December 23, 1954, and is not a reporting issuer or the equivalent in Manitoba or any of the other provinces of Canada (the "Jurisdictions").

2. FINOVA Capital has been a reporting company under the United States Exchange Act of 1934 (the "1934 Act") since March 30, 1992. FINOVA Capital has filed with the Securities and Exchange Commission (the "SEC") annual and quarterly reports under Form 10-K and Form 10-Q since it first became a reporting company, in accordance with the filing obligations set out in the 1934 Act and, to the best of Finova Capital's knowledge, is not in default of any filing obligations set out in the 1934 Act.

3. As at August 31, 1999, FINOVA Capital had approximately US \$5.2 billion in long term debt outstanding. All of FINOVA Capital's outstanding long term debt is rated "A-" by Standard & Poor's Corporation and "Baa1" by Moody's Investors Service, Inc.;

4. Finova Capital is a financial services company that provides a broad range of financing and capital markets products to mid-size business, principally in the U.S. and extends revolving credit facilities, term loans and equipment and real estate financing primarily to "middle market" business with financing needs falling generally between U.S. \$100,000 and U.S. \$35 million.

5. FINOVA Canada was incorporated under the laws of Nova Scotia on September 10, 1999 and is an indirect wholly-owned subsidiary of FINOVA Capital. FINOVA Canada is not presently a reporting issuer or the equivalent in any of the Jurisdictions and is not currently eligible to participate in the POP System. FINOVA Canada exists solely for the purposes of issuing debt and undertaking other financing activities and will not carry on any operating or other business activities.

6. As a result of the Offering, FINOVA Canada will become a reporting issuer or the equivalent in Manitoba and each of the other provinces of Canada (the "Jurisdictions");

7. FINOVA Capital satisfies the criteria set forth in paragraph 3.1 of National Instrument 71-101 ("NI71-101") and is eligible to use the multi-jurisdictional disclosure system ("MJDS") (as set out in NI71-101) for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with United States ("US") prospectus disclosure requirements with certain additional Canadian disclosure;

8. Except for the fact that FINOVA Canada is not incorporated under US law, the Offering would comply with the alternative eligibility criteria for offerings of

non-convertible debt having an approved rating under the MJDS as set forth in paragraphs 3.1 and 3.2 of NI71-101;

9. FINOVA Canada is ineligible to issue securities by way of short form prospectus under the POP System as neither FINOVA Canada nor FINOVA Capital (as guarantor of the Offering) is a reporting issuer or the equivalent in Manitoba or the other Jurisdictions;

10. FINOVA Canada proposes to establish a program to raise up to approximately \$250 million to \$300 million in Canada (the "Offering") through its issuance of Notes from time to time over a two year period. The Notes will be fully and unconditionally guaranteed by FINOVA Capital as to payment of principal, interest and all other amounts due thereunder. All Notes will have an Approved Rating (as defined in the POP System);

11. In connection with the Offering:

(a) prior to the filing of a short form prospectus for the Offering (the "Prospectus"), FINOVA Canada will file an Annual Information Form ("AIF") that complies with the requirements for an AIF set out in Appendix A to NP47 except that such AIF need not contain such financial statements and management's discussion and analysis that are not required to be filed on an on-going basis in accordance with this Waiver. Additionally, FINOVA Capital will file, with the Jurisdictions, the documents that it has filed under the 1934 Act during the last year fiscal year and the current fiscal year, including its 1998 annual report on Form 10-K, and its quarterly reports on Form 10-Q and its Form 10-Q for the first and second quarters of fiscal 1999;

(b) the Prospectus will be prepared pursuant to the short form procedures contained in NP47 and will comply with the requirements set out in Appendix B to NP 47 with the disclosure required by item 16 of Appendix B of NP 47 being addressed by incorporating by reference FINOVA Capital's public disclosure documents as well as FINOVA Canada's AIF and the disclosure required by item 9 of Appendix B of NP 47 being addressed by disclosure with respect to FINOVA Capital in accordance with US requirements;

(c) the Prospectus will include all material disclosure concerning FINOVA Canada;

(d) the Prospectus will incorporate by reference disclosure made in FINOVA Capital's most recent Form 10-K (as filed under the 1934 Act) together with all Form 10-Qs and Form 8-Ks and interim

financial information filed subsequently under the 1934 Act and will state that purchasers of the Notes will not receive separate continuous disclosure information regarding FINOVA Canada;

(e) FINOVA Capital will fully and unconditionally guarantee payment of the principal and interest on the Notes, together with any other amounts that may be due under any provisions of the trust agreement relating to the Notes;

(f) the Notes will have an Approved Rating;

(g) FINOVA Capital will sign the Prospectus as promoter; and

(h) FINOVA Capital will undertake to file with the Commission and the securities regulatory authorities in the other Jurisdictions all documents that it files under sections 13 and 15(d) of the 1934 Act until such time as the Notes are no longer outstanding.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest and that there is adequate justification in the circumstances of the particular case to grant the order requested.

IT IS ORDERED:

1. THAT, pursuant to section 4.5 of NP47, the Deputy Director of the Commission hereby waives the requirement set out clause 4.3.1(b) of NP47, that an issuer guaranteeing debt issued by its subsidiary be a reporting issuer with a 12 month reporting history in a Canadian province or territory, in respect of the Offering in order to permit FINOVA Canada to file and obtain a receipt for a short form prospectus pursuant to NP47 for the purpose of the Offering, provided that:

(a) each of FINOVA Capital and FINOVA Canada complies with paragraph B.11 hereof; and

(b) FINOVA Canada complies with all of the filing requirements and procedures set out in NP47 except for the requirements that an AIF contain the matters set forth in items 4 and 5 of Appendix A of NP47 shall not apply to FINOVA Canada provided that the equivalent information concerning FINOVA Capital is incorporated by reference in FINOVA Canada's AIF in the manner required by applicable US law.

2. THAT, in connection with the Offering:

(a) pursuant to section 131(1)(c) of the Act, FINOVA Canada is exempt from the Annual Financial Statement Requirement, provided that (i) FINOVA Capital files with the Commission two copies of the annual reports on Form 10-K filed by it

with the SEC promptly after they are filed with the SEC; and (ii) that such documents are provided to debt security holders whose last address as shown on the books of FINOVA Canada is in Manitoba in the manner, at the time and if required by applicable United States law;

(b) pursuant to section 131(1)(c) of the Act, FINOVA Canada is exempt from the Interim Financial Statement Requirements, provided that (i) FINOVA Capital files with the Commission two copies of the quarterly reports on Form 10-Q filed by it with the SEC promptly after they are filed with the SEC; and (ii) that such documents are provided to Note holders whose last address as shown on the books of FINOVA Canada is in Manitoba in the manner, at the time and if required by applicable United States law;

(c) pursuant to Section 95(2)(c) of the Act, FINOVA Canada is exempt from the Material Change Report Requirements, provided that FINOVA Capital (i) files with the Commission two copies of the current reports on Form 8-K (including press releases) filed by it with the SEC forthwith after the earlier of the date the report is filed with the SEC and the date it is required to be filed with the SEC; and (ii) forthwith issues in Manitoba and files with the Commission any press release that discloses material information and which is required to be issued in connection with the Form 8-K requirements applicable to it;

(d) pursuant to section 116(1)(c) of the Act, FINOVA Canada is exempt from the Insider Reporting Requirements, provided that each insider (as defined in the Act) files with the SEC on a timely basis the reports, if any, required to be filed with the SEC pursuant to the requirements of the 1934 Act and the rules and regulations thereunder; and

(e) pursuant to section 103(1)(c) of the Act, FINOVA Canada is exempt from the Proxy Requirements, provided that (i) FINOVA Capital complies with the requirements of the 1934 Act and the rules and regulations made thereunder relating to proxy statements, proxies and proxy solicitations in connection with any meeting of its Note holders; (ii) FINOVA Capital files with the Commission two copies of the materials relating to the meeting filed by it with the SEC promptly after they are filed by it with the SEC; and (iii) such documents are provided to such Note holders whose last address as shown on the books of FINOVA Canada is in Manitoba in the manner, at the time and if required by applicable United States law;

for so long as:

(a) FINOVA Capital maintains an Approved Rating in respect of the Notes;

(b) FINOVA Capital maintains direct or indirect 100% ownership of the voting shares of FINOVA Canada;

(c) FINOVA Capital maintains a class of securities registered pursuant to section 12 of the 1934 Act;

(d) FINOVA Capital continues to satisfy the criteria set forth in paragraph 3.1 of NI 71-101 (or any successor provision) and remains eligible to use MJDS (or any successor instrument) for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure; and

(e) FINOVA Canada carries on no other business than that set out in paragraph B.5 hereof.

3. THAT, the fee for this order shall be \$725.00.

BY ORDER OF THE COMMISSION

Director - Legal