



SIFMA MiFID II Seminar
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Opening Remarks
As prepared for delivery
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Good morning. I'm Ken Bentsen, President and CEO of SIFMA and I'm pleased to welcome you to our MiFID II Seminar. Before we begin the formal program, I'd like to thank our sponsors, Morgan Lewis, AxiomSL and Six Financial, for their support.

SIFMA represents both the sell side, and through our Asset Management Group, the buy side. SIFMA is affiliated with both the Association for Financial Markets in Europe, or AFME, and with the Asian Securities Industry and Financial Markets Association, or ASIFMA, and when operating as a collective body the three associations speak through the Global Financial Markets Association, or GFMA. While each of these three individual organizations has a natural regional focus, we work very closely with one another on a daily basis – just as all of you do with your offices overseas - given the global nature of our markets and the increasing cross border friction presented by regional rules which reach beyond domestic borders.

The discussion today around MiFID II generally, and unbundling specifically, is a prime example of these frictions and reflects the necessity for SIFMA's close collaboration with our affiliates. We are pleased to have our colleague Will Dennis, managing director, compliance at AFME, here today to moderate the first panel and especially thankful to have Phillipe Guillot, executive director of the French markets regulator, Autorite des Marches Financiers, here with us as well. Vanessa Meeks, senior counsel in the division of Investment Management at the Securities and Exchange Commission is also giving generously of her time to join us here today. I also understand that we have a



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good audience participating via webcast today and many of those are joining from outside the U.S.

SIFMA works with our industry members, stakeholders and regulators to ensure efficient and well functioning capital markets, to the benefit of investors and issuers, and the broader economy. Cross-border frictions in business practices or regulation can threaten that efficiency - not only from the underlying regulations themselves but also due to the confusion around the application and reach and consistency with rules in other jurisdictions. This is true with respect to a number of the prudential and capital rules, as well as with market rules.

Greater coordination and cooperation among regulators globally is needed to limit the cross border frictions that arise from national or supranational policy agendas before regulation is set in motion. While meaningful bilateral engagement can be effective, there are several global bodies, such as IOSCO, that are designed to facilitate this global dialogue and should be leveraged further in that regard.

We are now just nine months away from MiFID II implementation, and we are here today to try to bring more clarity and understanding as to what implementation requires, as well as the cross-border implications of unbundling. We will also talk about what it means for the asset management industry. Both SIFMA and SIFMA AMG have concerns that the MiFID II requirements could inhibit the ability of our members to fully assist their clients. The procurement of research, whether through dealing commissions or otherwise and in whatever form, is key in helping fulfill member firms' efforts to increase the value of their clients' assets. While we agree there are ways in which the regulatory structure or processes for asset managers could be improved, we believe the proposed regulatory remedies will have significant and negative unintended consequences.



We hope today's discussion is additive to your understanding of the issues presented by the MiFID II unbundling requirements and we appreciate your engagement with us on these issues.

I'd like to now welcome Will Dennis, who is moderating our first panel. Will is Head of Compliance at AFME, where he focuses on monitoring, analyzing and responding to regulatory developments in compliance at the national, EU and global level.

Please join me in welcoming Will Dennis and his panelists. Thank you.