



**Canada-US Securities Summit  
Welcome and Opening Remarks  
As prepared for delivery**

**Kenneth E. Bentsen, Jr.  
President and CEO, SIFMA  
May 13, 2015**

Good morning. I'm Ken Bentsen, president and CEO of SIFMA and CEO of GFMA. Along with our colleagues at the Investment Industry Association of Canada, I want to welcome you to today's Canada-US Securities Summit.

We are pleased to welcome our distinguished speakers: the Honourable Joe Oliver, Canada's Minister of Finance, who will be introduced by John F. Prato from the Consul General of Canada in New York; Bruce Heyman, U.S. Ambassador to Canada; and the Honourable Howard Wetston, Chair & CEO of the Ontario Securities Commission. On behalf of SIFMA and the IIAC, I would like to thank you gentlemen and all of our speakers for their participation in today's program. We are very glad to have you with us. I also want to thank Stikeman Elliott for its generous sponsorship of this event. And, of course, our thanks go out to IIAC, especially Ian Russell and his staff, for jointly hosting this event with us for the third time.

The U.S. and Canada share the world's largest and most comprehensive trading relationship, which supports millions of jobs in each country. Canada is the leading export market for 35 out of the 50 U.S. states and is a larger market for U.S. goods than all 28 countries of the EU. Canada and the U.S. also have one of the world's largest investment relationships: the U.S. is Canada's largest foreign investor and Canada is the fourth-largest foreign investor in the U.S.

Financial institutions and regulators in Canada and the U.S. strongly agree on the broad objectives of financial regulatory reform: to create safety and soundness in the financial system, while balancing that goal with the need to encourage economic growth and job creation.

Regulators in both our countries have agreed on several specific initiatives related to these objectives, which the financial industry has also supported. The importance of global harmonization and coordination cannot be overstated, as our global markets make us all intertwined. While the U.S. and the UK cover 65% of cross-border flows globally, Canada is a big player on the harmonization stage. Canada is an extremely active participant in the Basel and FSB process, and has a long history of involvement in the global standard setting bodies.



Today's event is a forum for constructive dialogue on fostering investment and capital formation between our nations, as well as globally. To preserve and strengthen our trading and investment relationship, we need and will continue to work closely together on the legislative and regulatory developments, both regionally and globally.

Today we will hear from experts on the implementation of the Volcker Rule. This regulation impacts the investments, activities and business operations of non-U.S. entities around the world and, thus, raises Canadian-U.S. cross-border considerations. In addition to implementation challenges, this panel will discuss potentially unintended extraterritorial consequences of the Volcker Rule and how the industry is working to address concerns that surround them.

Similarly, the OECD's Common Reporting Standard and FATCA are two more areas where coordination between and among countries is essential to our collective success. SIFMA strongly supports the goal of these initiatives to combat tax evasion, but we also strongly believe that the rules governing these regimes must be consistent, and financial institutions must have adequate time to implement a highly complex new set of regulations before penalties are imposed. Although the crisis some feared surrounding FATCA's implementation has been avoided due to the widespread adoption of FATCA intergovernmental agreements (IGAs), there are some troubling signs that our officials may not always see eye-to-eye with countries such as Canada on how important elements of these agreements should be interpreted. There remains a risk that one party or another could act unilaterally in a manner that would disrupt financial markets and upset our strong bi-lateral relationship.

Finally, the most serious threat facing the financial services industry across the globe today is that posed by cyber criminals, hacktivists, nation-states and terrorists. Due to its global nature, it is essential for the public and private sectors to continue to work together in developing effective and coordinated defenses. These include the development and adoption of standards and enhancing our information sharing capabilities through universal adoption by all industry participants, including third party vendors. It also means improving our recovery protocols and processes and enhancing our partnership with the various government entities engaged in protecting our nations. This cannot be regulated away, and it must be an iterative and ongoing process among all participants, regulator and regulated. I would highlight for you two upcoming events on this topic which highlight the work our firms are doing to protect investors. First, SIFMA is hosting a cyber legal conference on June 2 which will cover current cybersecurity threats and the best framework for defense along with the important role compliance experts play in a firm's defense. Second, the IIAC is hosting a cybersecurity conference on June 4 with local and international experts, including one of our SIFMA experts, to assist its members in protecting their firms and their clients from cyber attacks.



With that, I thank you again for your participation in this conference and note it is my great honor and privilege to introduce our next speaker, Ambassador Bruce Heyman. He was confirmed as President Obama's personal representative to Canada in March 2014. He is a 33 year veteran of Goldman Sachs, where he served as a regional managing director of the Midwest private wealth management group, which covers 13 states and half of Canada. Ambassador Heyman has served as a board member for the Chicago Council on Global Affairs and the Northwestern Memorial Hospital Foundation. He also served as an advisor to the Fix the Debt CEO Council of the Committee for a Responsible Federal Budget. He has been a member of The Economic Club of Chicago, The Executives' Club of Chicago, and the Facing History and Ourselves Chicago Advisory Board. Please join me in welcoming Ambassador Heyman.