



SIFMA Operations Conference and Exhibition
Phoenix, AZ
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Opening Remarks, as prepared for delivery
Randy Snook, Executive Vice President, Business Policies and Practices

Good morning. Welcome to the second day of programming for SIFMA's Operations Conference & Exhibition. This event is about more than just operations – especially as the line between technology and operations blurs. It's about the role we play in shaping the future of the financial services industry.

First, I want to acknowledge and thank the SIFMA members who support all we do. Taking the time to participate demonstrates your support of SIFMA and the importance of these issues.

Advances in technology have transformed our industry, as we've grown and modernized. Customer demands are changing, and firm capabilities are expanding. We've seen how customers' expectations for product quality and service excellence are set by the cutting-edge technologies deployed by the best of the consumer internet – and they will expect a similar level of innovation and new experience from their financial advisors, as we have heard from Lisa Kidd Hunt at Schwab.

To meet this challenge, it's the operations leaders who will harness the power of technology to drive innovation and change – just as they have through waves of prior innovation, from the creation of rapid, electronic markets to the development of online brokerage platforms. It is mission critical that we guide our firms as they embrace new technologies. Not just to stay ahead of the curve, but to leverage the merging of new technologies like AI and augmented intelligence that some are calling the Fourth Industrial Revolution.

Across our members, the challenge for operations leaders is to turn the promise of emerging technologies into actual services that not only reduce costs, but deliver new products, and improve client experiences, and better manage and understand risk.

For example, operations leaders are using robotics process automation to improve how transactions are processed; and employing artificial intelligence to rapidly analyze securities filings. They are turning to cognitive computing to predict how life events will

affect their clients' financial needs. And of course, the use of distributed ledger technology remains a key focus as operations leaders work to turn the promise of this technology into actual production applications. We'll hear from Chris Church at Digital Asset on how the Australian Stock Exchange is progressing as it updates its post trade processing systems using blockchain.

For this progress to take shape, it's imperative that regulation not be an impediment to innovation. Regulations should be reviewed and modernized as necessary to promote a level playing for the US capital markets. We're encouraged to see the start of a dialogue with US regulators on this issue, as Treasury prepares to release the fourth in a series of reports on the US financial system, focusing on fintech and innovation.

We developed and submitted to Treasury a range of principles and recommendations on how rules can be modernized to reflect the marketplace of today and the future. SIFMA's goal is to help promote a regulatory environment that encourages innovation in the US and ensures that the US capital markets remain the deepest and most liquid in the world. The US needs to remain the center of capital markets technology innovation, as it has been for the last 100 years.

Our first featured speaker of the day will dive deeper into the nexus of financial services and technology. It is my pleasure to introduce Grainne (Gran-ye) McNamara, Principal, Financial Services & Banking and Capital Markets, PwC.

Grainne is a thought leader on how emerging technologies can transform financial institutions. She is also working with leading edge productivity and robotic process automation tools to empower the digital worker of the future.

She also has over 20 years of experience in implementing technology, business, and regulatory change programs during her tenure at Goldman Sachs and Morgan Stanley.

Grainne is the U.S. leader for PwC's blockchain efforts. In this role, she works with cutting edge start-ups and large technology companies.

Please join me in welcoming Grainne McNamara.