



## TFSA aligns to its new mission Begins new year with new board and new chair

The Toronto Financial Services Alliance held the first meeting of its new board of directors on December 6, beginning a new phase for the organization as it works to enhance and promote Toronto as a global hub for financial services.

The new board, comprised of senior executives from the financial services industry and related professions (such as law and accounting), confirmed **Janet Ecker** as President of the TFSA and elected as its Chair **Doug Turnbull**, Deputy Chairman, TD Securities Inc. Mr. Turnbull has more than 30 years of fixed income capital markets, M&A and advisory experience in Canada, New York and Tokyo, and is a member of the Ontario Finance Minister's Economic Advisory Panel. *(For a complete list of our new board members, please see the accompanying article.)*

The new board will oversee TFSA's execution of the financial services sector's global hub strategy – a plan developed for the sector last year and endorsed by all three levels of government and the Financial Services Leadership Council (FSLC), which is a cross-section of CEOs of the major players in Ontario's financial services industry. (Former Manulife CEO **Dominic D'Alessandro** was previously announced as Chair of the FSLC.)

The TFSA will act as the secretariat for the various initiatives contemplated by the global hub strategy, and will continue to drive critical partnership forums between industry and government stakeholders. Several Executive Councils, comprising a broad range of representatives from the TFSA membership, will set the agenda for the various initiatives. Executive Councils covering Talent, Policy and Government Relations, Sector Growth, and Retirement Financing have already been established or will be shortly – and others may be convened to address additional areas of focus.

One of the first initiatives proposed by the global hub strategy had been the creation of the Global Risk Institute in Financial Services (GRi), which was announced in September. The GRi will build on Canada's growing reputation in financial risk management by undertaking applied research and identifying, promoting and advancing best practices in integrative risk management by policy-makers and practitioners. The GRi is expected to be up and running early in the new year.

## New board draws from upper echelon of FS community

TFSA's new Board of Directors, effective December 1, 2010:

- Jean-Paul Bisnaire, General Counsel, Manulife Financial
- Mario Causarano, Pres. & COO, AGF Trust Company
- Kevan Cowan, Pres., TSX Markets, & Group Head of Equities, TMX Group
- Huynh-Mai Dao, CAO, Mackenzie Financial Corporation
- James Darroch, Director, FS Pgm, Schulich School of Business
- Ann Davis, Partner, KPMG
- Joanne De Laurentiis, Pres. & CEO, The Investment Funds Institute of Canada
- James Donegan, Pres. & CEO, OMERS Capital Markets
- Alex Dousmanis-Curtis, SVP, BMO
- Kevin Drynan, Pres. & CEO, State Street Trust Company Canada
- Janet Ecker, President, TFSA
- Jeffrey Graham, Partner, Borden Ladner Gervais LLP
- Michel Leduc, VP, Sun Life Financial
- Rosemarie McClean, SVP, Ontario Teachers' Pension Plan
- Sue Graham Parker, SVP, Scotiabank
- Gillian Platt, EVP, Aviva
- Anne Sado, Pres., George Brown College
- Wendy Tilford, DM, MEDT, Government of Ontario
- Mark Tullis, CFO, Intact
- Doug Turnbull, Deputy Chairman, TD Securities Inc.
- Ann Louise Vehovec, Head of Enterprise Strategy, RBC
- Benita Warmbold, COO, Canada Pension Plan Investment Board
- Michael Williams, GM, Economic Development and Culture, City of Toronto

# “Team Ford” takes over at City Hall

## New Mayor introduces his economic team

Newly elected Mayor **Rob Ford** has selected veteran councillor **Doug Holyday** as Deputy Mayor. The Mayor and Deputy Mayor, along with the seven chairs of standing committees appointed by the Mayor, will sit on the Executive Committee, along with four members-at-large elected by City Council.

Councillors **Shelley Carroll, Josh Colle, Sarah Doucette, Paula Fletcher** and **Mary Fragedakis** were elected to the Economic Development Committee.



Mayor Ford

The Mayor appointed Scarborough Centre Councillor **Michael Thompson** as Chair of the committee.

As chair, Mr. Thompson will serve as the City’s representative to Invest Toronto and Build Toronto, as well as the Toronto Financial Services Alliance. Josh Colle was appointed as Mayor Ford’s representative to TFSA.

“We hope to work closely with Mr. Thompson and Mr. Colle,” said TFSA president and CEO **Janet Ecker**.

“The City has been a strong supporter of our activities since day one and we look forward to the councillors’ continuing involvement in promoting Toronto as a global financial hub.”

Another key economic appointment was made during the first meeting of the Executive Committee on December 9. Scarborough-Agincourt Councillor **Mike Del Grande** was appointed Chair of the Budget Committee.



Hon. Sandra Pupatello addresses business leaders in New York

More than 300 delegates attended the latest Toronto Financial Services Day in New York – the second business mission of its kind – an event intended to promote Toronto as a place to locate and do business in the financial services sector.

The Nov. 29-30 visit, organized by the governments of Canada and Ontario, in cooperation with the Toronto Financial Services Alliance, was led by Ontario’s Minister of Economic Trade and Development,

**Sandra Pupatello**, who invited business leaders from New York to consider Toronto when making their expansion plans.

“Now is a great time to be doing business in Canada,” she said. “Toronto is a rising star as a world financial centre – energized by the success of Canadian banks during the financial crisis.”

In her luncheon presentation, the Minister said there are great opportunities for Ontario and Toronto to be a “value-added partner” to New York’s financial services industry.

“Right now, there’s a favourable climate for expanding your presence north of the border,” she said, “by way of both direct investment and through partnerships and joint ventures.”



Dan Sullivan, Canada’s Consul-General to New York

A highlight of the day was a presentation by **Michael Wilson**, the recently appointed Chairman of Barclays Capital Canada, and **Frank McKenna**, Deputy Chairman, TD Bank Financial Group.



Former ambassadors Frank McKenna (above) and Michael Wilson (right)

Both Mr. Wilson, a former federal finance minister, and Mr. McKenna, a former premier of New Brunswick,



# (and vice versa)

## November Business Mission to New York “oversubscribed”



Expert panellists provided perspective on Toronto's financial services industry during Financial Services Day

have served as Canada's ambassador to the United States. The pair were interviewed by Reuters editor-at-large **Chrystia Freeland** and had a lively exchange following the luncheon.



During the afternoon sessions, delegates to the conference attended six panel discussions focusing on different aspects of the financial services industry in Canada: launching a financial services business in Toronto – key regulatory and tax advantages; asset servicing and IT resourcing in Ontario; global risk management – a Canadian perspective; financial services M&A in Canada; Canadian capital markets – spotlight on our global resources advantage, and Canada's global pension management expertise.

Between sessions, delegates were also able to meet one-on-one with sponsors and service providers in the exhibitors' area.



Janet Ecker addresses delegates



Delegates visit sponsors' exhibits during the conference



## 2010: Good year for financial services

Canada's large domestic banks ended the year on another positive note.

Collectively, the six largest banks reported earnings that exceeded \$20 billion, up significantly (more than 40%) from the previous fiscal year. The banks' fiscal year ended on October 31.

The banks also continued to strengthen their capital positions in anticipation of higher regulatory requirements. The six largest banks have Tier 1 capital ratios averaging 12%-14% – about twice the minimum.

Canada's largest life insurance companies also reported improved results recently. Third quarter performance for **Manulife Financial** and **Sun Life Financial** was significantly better than last year's, although Manulife's strong earnings from operations were more than offset by reserve strengthening which resulted in a net loss for the quarter.

Sun Life reported net income for the year to date in excess of \$1 billion, compared with \$238 million for the same period last year.

## Barclays Capital Canada opens offices in Toronto



(From left to right): **Michael Wilson**, Chairman, Barclays Capital Canada, TFSA president **Janet Ecker**, Ontario Minister of Economic Development & Trade **Sandra Pupatello** and Barclays President & Country Head **Bruce Rothney** celebrate the official opening on December 2 of Barclays' new offices in Toronto.

# New and Noteworthy

**BMO Financial Group** has signed a definitive agreement to acquire Marshall & Ilsley (M&I) Corp., Wisconsin's largest bank, in a stock-for-stock transaction valued at more than US\$4 billion. BMO said the acquisition would double its branches and double its deposits in the U.S. BMO's U.S. operations are headquartered in Chicago.

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India-based technology giant **L&T Infotech** has big plans for the facility it recently acquired in the Toronto region. "We hope to be able to use this as a centre of excellence for our financial services clients," chief executive officer **Sudip Banerjee** said in an interview with *The Toronto Star*. The facility currently employs about 215 people. L&T hopes to add about 100 jobs in the coming year, the newspaper said.

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**Scotiabank** has announced plans to acquire **Nuevo Banco Comercial (NBC)**, Uruguay's fourth-largest private bank in terms of loans and deposits, as well as Pronto!, the country's third-largest consumer finance company. With the acquisition, Scotiabank would become the first Canadian bank with a retail network in Uruguay.

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**TD Bank Financial Group** has agreed to purchase Chrysler Financial for \$6.3 billion – a transaction that will make TD one of the top five bank-owned auto lenders in North America. "Because we're well-capitalized and a leading deposit franchise," said TD CEO **Ed Clark**, "we've been looking for opportunities to accelerate the growth of our loan book. This acquisition gives us that opportunity and also diversifies our lending portfolio." TD has more than 1,250 outlets in the U.S.

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By the end of 2009, assets in Canada's life and health industry had rebounded by 15.5 per cent to a record high of \$474.9 billion, according to the **Canadian Life and Health Insurance Association**, while total premiums and premium equivalents (all lines of business) rose 3.7 per cent to \$79.1 billion.

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The ease of paying taxes for Canada's average small- and medium-sized businesses ranks the country 10th out of 183 countries according to the fifth annual Paying Taxes 2011 report, a study from **PwC Global** and the World Bank Group. Canada is now the only G20 economy that sits in the top 10 for ease of paying taxes.

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**AGF Management Limited** has signed a definitive agreement to acquire 100% of Acuity Funds Ltd. and Acuity Investment Management Inc. increasing AGF's total assets under management (AUM) to over \$51 billion. The deal, with a purchase price of \$325 million, is expected to be completed on or about February 1, 2011.

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**Lloyd's of London** officially opened an office in Toronto on December 1. "Given the establishment of Toronto as a financial centre and the insurance market's presence here in Toronto, we felt we should have a presence here," said Lloyd's CEO **Richard Ward**.

## Upcoming events

### January 4, 2011

34th Annual Financial Outlook 2011, Canadian Club of Toronto, in Toronto  
([www.canadianclub.org](http://www.canadianclub.org))

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### January 6, 2011

Economic Outlook 2011, Economic Club of Canada, in Toronto  
([www.ecot.ca](http://www.ecot.ca))

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### January 13, 2011

National Bank Financial Group CEO Louis Vachon addresses the Empire Club of Canada on the Canadian Financial Services Landscape", in Toronto  
([www.empireclub.org](http://www.empireclub.org))

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### January 13, 2011

CFA Institute Board of Governors Chair Margaret Franklin addresses Canadian Club of Toronto, in Toronto  
([www.canadianclub.org](http://www.canadianclub.org))

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### January 31, 2011

123rd Annual Dinner, Toronto Board of Trade, in Toronto  
([www.bot.com](http://www.bot.com))

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## We want your input.

Please contact us if you have comments or questions about TFSA.

Our new address is:

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Please submit newsletter contributions by email to [info@tfsa.ca](mailto:info@tfsa.ca) and put "TFSA Update" in the subject line.

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