The Empire Club Presents

ED CLARK
CEO, TD BANK GROUP:

LEADERSHIP AND THE VISION REQUIRED TO BUILD AN ENDURING FRANCHISE

September 16, 2014

HEAD TABLE:

Distinguished Guest Speaker:

Mr. Ed Clark, President & CEO, TD Bank Group

Guests:

Mr. Charles Baillie, Former President & CEO of TD Bank Group;
Mr. Marc-André Blanchard, CEO, McCarthy Tétrault
Mr. Stephen DeKuyper, Chaplain, King- Bay Chaplaincy
Mr. William Downe, C.M., CEO, BMO Financial Group
Ms. Janet Ecker, President & CEO, Toronto Financial Services Alliance
Mr. Trent Henry, CEO, Ernst & Young
Mr. Bharat Masrani, Incoming Group President & CEO, TD Bank Group
Mr. Paul Robinson, Deputy CEO & CSO, Deloitte
Ms. Verity Sylvester, Past President, Empire Club of Canada
Mr. William White, Chairman, IBK Capital Corp.; Director, Empire Club of Canada
Ms. Andrea Wood, Senior Vice President, Legal Services, TELUS; President, Empire Club of Canada

Welcome Address by Andrea Wood, President, Empire Club of Canada

It is now my pleasure to invite Marc-André Blanchard, CEO of McCarthy Tétrault, to come to the podium to introduce our guest speaker today.

Introduction by Marc-André Blanchard, CEO, McCarthy Tétrault

Many thanks, Andrea. Very nice to be here. Great leaders help people and organizations achieve things they never once thought were possible. Our guest speaker today, someone who has been recognized as both one of the world's top CEOs as well as Canada's top civil servant, fits the bill.

At McCarthy Tétrault, we are proud of our partnership with TD. McCarthy Tétrault has represented TD in many of its most significant transactions, including TD's acquisition of Canada Trust, the transaction that brought Ed Clark to TD 12 years ago and made it all possible.

Under Ed's 12-year watch, the bank nearly doubled its number of retail outlets, customers, assets and deposits. Indeed, based on assets, TD recently became the largest Canadian bank. The key driver has been TD's successful expansion into the U.S. More than 20% of the bank's total earnings are now derived stateside, a remarkable transformation given that TD had no retail bank earnings in the U.S. prior to 2005. Moreover, its U.S. retail bank, TD's America's Most Convenient Bank, is now a top-ten U.S. bank in terms of deposits and branches. From an earnings view, TD's net income after taxes has increased five-fold, and its earnings per share have increased by about 12% on an annual, compounded growth basis.

To put things in perspective, TD now earns more in a single quarter than the entire fiscal year back in 2002. All of this growth was achieved without going outside the risk curve. TD is widely regarded as one of the world's most stable and strongest banks. TD shareholders—many I sense are in this room—should be a happy lot. TD's total shareholder return of more than 16% compounded annually is the highest among the largest North American banks driven by almost a quadrupling of the share price and double-digit annual compounded dividend growth of 10% during Ed's 12-year watch.

Now, all of this is the headline news, the typical stuff we look at to measure a company's performance. But, today, Ed Clark will take us deeper into the organization to focus less on what was achieved and more on how it was achieved because in Ed's view the how is more important than the what when it comes to building an enduring franchise.

What he will not delve into today but what cannot go unmentioned is the impact Ed makes beyond his professional career. He considers himself lucky in life and has shared that luck with those in need of it. I have seen his generosity firsthand at WoodGreen where Ed and Fran Clark made a huge difference to kick-start a program called "Homeward Bound" to assist single mothers to find a home, a school and go back to work.

I have experienced his generosity and passion personally. When I arrived in Toronto five years ago, he was not able to correct my accent, but he helped me a great deal when I arrived. He invited me to his office for a coffee. We had a fascinating discussion about our families, our business and diversity. I remember his exact words: "Diversity is not a do-good strategy. It is about having McCarthy and TD survive 20 years from now. Diversity is about creating an environment where people feel comfortable to be their best. It is about making people better than they ever thought they could be." His comments made a huge impact on me and on my firm. Ed has helped transform lives just as he has helped transform TD. We are all better for it.

Ladies and gentlemen, please, welcome Ed Clark.

Ed Clark

Marc, thank you very much. I have to say if you had had the task to improve my accent in French, it would have been much more formidable than the task that I would have had. That is very nice of you.

You know, when I was thinking about this speech I struggled a bit about what I should say, given it is my last major speech as the bank's CEO. And, in truth, those who work with me know actually I stew about my speeches even at the best of times because I sometimes wonder, "Well, is that really worthwhile having a little speech to try to say…?" But, on this occasion, it is much more difficult because I have an audience here filled with so many people who have been such an incredible source of support to me that you kind of enter this unique pressure to say, "You better say something meaningful."

So I toyed with focusing on Canada's economic and public policy dilemmas, and, again, for those of you who have heard me speak before, you know I worry. Canada, a country we are all incredibly lucky to call home, has done extraordinarily well in recent decades in economic growth, in supporting our vital public health and educational institutes, which are so important to people's well-being and preserving social mobility. We have done well in managing to reduce poverties—old age poverty—and to offset some of the global trends driving corrosive economic inequality. But I worry because Canada in the future will need to manage rapid technological change, negative demographic challenges and a shifting competitive context where our hand is no longer so strong. And this will require a shift in our economic base, the development of new firms as well as more outward-looking firms. It will require more innovative economy, and it will require a willingness on the public's part to support government's talking about and then, ultimately, making tough choices in how to allocate scarce resources. In the end, we must find a way to enhance the real incomes of average Canadians and preserve social mobility within a strategy where we have an economy with sustainable economic growth.

But I talked about these issues before, and I thought a more meaningful speech would be to focus on what I learned from leading Canada Trust and then TD through a period of pretty dramatic change. To a certain extent, I thought, "Well, let's try to take you behind the scenes at TD to hear what I say at executive development sessions or when I have the opportunity to make new recruits to the bank." Well, frankly, I talk much less about performance numbers than you might think, and much more about leadership and the vision required to build an enduring franchise, which actually makes our customers and our country better off. But I am getting a little bit ahead of myself.

My real world learning started even before I entered the workforce. It was 1968, and the student council at the University of Toronto asked me to lead a project to build a new student residence. No, I was not taking engineering, or I was not in architecture school. Indeed, you are going to find here an emerging theme: I have generally been uniquely *unqualified* for most of the jobs that have been given to me. At the time, Rochdale College—for those of you that have long memories like I do—a co-operative housing experiment founded by a couple of students, had just opened up. So, I trekked off to that residence to ask its founders, "How did you make this happen?" And so their answer was, "Well, look, man"—you have got to understand

this is the '60s—"building isn't a birthright. Just do it! Learn by doing." And that has stuck with me ever since. You cannot figure out the game without being in the game, so get in the game, but do it in a way that the mistakes which you will inevitably make will not kill you, and then make adjustments. Be prepared to drop your preconceived ideas and strategy. And so began my journey.

Of course, in my case, it was not a straight line to running a large Canadian bank. The first two decades I worked were spent in Africa, in France, the federal government, investment banking, rescuing a financial services company while running my own firm. Quite a wide range of circumstances and challenges. And I picked up some important skills along the way: A tolerance for things going wrong, an ability to manage multiple stakeholders, a focus on surrounding yourself with people smarter than yourself. I always say that my kids say, "Well, that's very easy in your case." And I would say that that is my main competitive advantage—and understanding that inarticulate, non-conceptual people are sometimes right, and articulate and conceptual people are often very wrong, and an ability to inspire people in different and difficult circumstances. However, what I had not learned was anything about how to be a banker.

So by the time I joined Canada Trust in 1991, it had assets of about $35 billion and earned about $200 million, a little shy of what we are now earning in the bank. And we were losing market share heavily to the big, bad, five Canadian banks despite having a fabulous brand and a great focus on customer service. Now, these two concepts, brand and customer focus, dated back—Canada Trust has to be looked at in history as an incredible move to eight to eight, six days straight, which, in 1976, was a move that was truly unique in the banking world, and they have left an indelible mark on my approach to things. You must understand brand, what it is and how to build it, and always start with what the *customers* want, not what the banks want to do.

As a new leader, I did what most leaders do when they arrive at a new place: Walk around, listen, find the issues, fix them, build a vision which your employees not only get but inspires them, and then find a way to operationalize it. We focused on retail growth, customer service and earning more of the customers' business—all pretty obvious. But it worked. The lesson: Execution makes the difference.

When we were sold to TD in 2000, our branch system had grown from around 340 branches to 440. We were gaining market share and became in our own customers' eyes, their core bank. Our assets were $50 billion, and we had about $360 million in earnings. Now, the price tag, $8 billion, four times the tangible book, looked pretty good to me as a seller, but—to Charlie's full credit, aided by his management team but especially Bill Brock—Charlie had a bigger vision: Could he transform TD by acquiring Canada Trust, but doing it in a different way? Buying Canada Trust

to get its business models and management and allowing a true merger of the best of both companies. So another lesson for me. Leadership does matter. There are moments when it is possible to transform institutions, and you have to seize them. Charlie had the courage to do so, but, more importantly, he had the courage to resist what almost every acquisition involves, the destruction of the culture and business model of the acquired entity.

Now, Charlie put me in charge of merging the two retail banks, and I discovered what should not have been a surprise, that the culture is different. Different cultures can work. The key is you have to decide what is the right culture for *your* company. In our case, we tried to make it genuinely a merger of the two cultures. There are parts of the TD culture which in my view were better than the Canada Trust culture. For one thing, the TD folks were given the room to make bold decisions. It had a history of being an international bank. It was comfortable venturing into the U.S., something that helped us down the road. For another, at Canada Trust, we had too much of a get-along culture where real differences were not always surfaced. We needed to be willing to change the culture that we had actually built. This is often hard for people to do. Again, a lesson of leadership.

There are many leaders who make their careers by their ability to change what other people have done, but that is not the real test. The real test of leadership is a willingness to fix your own mistakes, and this is never harder to do than when you have made people mistakes. Undoing them is rightly painful, but sometimes leaders make it worse because they do not like publicly admitting an error in their past judgment. Delay only causes more pain. When you look for great leaders, look for people who actually had to fix their own mistakes. You could say in my case I have had lots of opportunity to showcase that skill. This natural tendency to be slower at fixing your own mistakes is also why it is often a good thing to move people around, not quickly, but there are times when new eyes are needed.

Now, to build a unified retail franchise, which was what our goal was, that was able to sustainably outgrow what were very competent and entrenched competitors, we needed to agree on what George Bush, Sr., said, which was that vision thing, and the vision had to be more than words. Indeed, it had to transcend the making of money. It had to be something that attracts employees through enterprise, adds value, creates a better world for its clients and customers and is truly focused on the long run.

Analysts and journalists would make fun of us. They would tell me, “You know, everyone at TD has drunk the Kool-Aid.” But getting everyone to drink it makes a huge difference. It empowers your people. It unlocks their potential for the average employee. Why? Because that employee knows better how to implement the vision than the people at the top.

And so what was our vision? Well, it will not surprise you. Start with what the customers want, not what the banks want to do. It is amazing how many organizations you see have this profound tendency to start at the centre and do what they like doing and forget the customer. But if you flip that on its head, and you realize that the key is to figure out how to support and engage people who know their customers, the frontline staff and all of those who support them, in doing that, you change the culture. You become more transparent, more open, less hierarchal and more empathetic. Do that and great things can happen.

We then sent out a very simple growth goal following the merger: Supercharge our growth by growing the businesses where TD was strong but our market share was less than our new retail market share. Commercial banking, credit cards and wealth—and, boy, did that team deliver in an extraordinary way. We moved from number five in commercial banking to number two, from number five in credit cards to number one, from four to three in wealth.

So all of this leads me to another important lesson: Business models drive culture. Now, we see this all the time when you look at a business. A business which uses commission sales people will have a different culture than one with salaries. That causes you to step back and then say, “Well, what really happened in the financial crisis?” A truly awful tale of banks evolving into pure mean, green cultures with apparently no moral code. We as members of the financial services have to ask, “How did this actually happen?”

It was a shift in culture of the security dealers and the ascendency of that business in the banks. What is striking to me was the naiveté or, more harshly, perhaps it was the self-interest of bank leaders not to look at the consequences of how the dealers, both in and outside the banks, were evolving.

Now, I recognize that the dealer world has a very entrepreneurial culture, a drive to make money and, therefore, a focus on personal achievement and a willingness to push the limits. I lived and worked in that world, and there is much about that culture that I like and admire, but two important things happened leading up the financial crisis. In many cases, the dealers became owned by banks or became publically owned. Well, this dramatically changed the risk-reward equation for employees who previously had their personal wealth at risk. Bets in the dealer were now backed by public shareholder money. Risk to trades became asymmetrical: Heads—I win with the bigger bonus. Or tails—the shareholder loses.

The second shift was a change in the fundamental business model. Dealers before were built around their clients. They created great franchises by supporting the client’s needs and growing their loyalty. They added value to the economy. With access to more capital, dealers said, “Mhmm, there’s a real opportunity, not here by doing the hard work of serving

corporate and retail clients, no, but it actually betting.” You know, sure, it was dressed up with fancy words, like ‘trading structured products’, but, ultimately, it was a zero-sum game where money was going to be made off your clients or your competitors.

I got to learn all this as I wrestled with what to do with TD Securities shortly after I became TD’s CEO in 2002. It was a dealer that had no defined mission other than the making of money. It was, in fact, a product in reality of very two and contrasting views. The historical base of TD as a great corporate bank and the view of TD as the nimbler follower of this industry-wide trend to shift the base of the dealer from clients to proprietary trading. We had a world-leading franchise, and many of the most exotic products, but a number of things struck me: First, the culture was completely different than the rest of the bank. Not everywhere in the dealer. There were still old-fashioned bankers who truly cared about their clients. And, in addition, we had bought Newcrest, an advisory boutique with no balance sheet. This was a firm which has built a great franchise because its clients trusted their advice. The culture was the same as the rest of the bank built around the customer or client, but a business model that says, “Clients are counterparties,” was absolutely incompatible with our philosophy.

Secondly, I gradually became aware in a frightening way that not only in TD, but also in the banks around the world that there were many bank leaders who did not really understand either the risks involved in these products or how they were actually making money. The concept of tail risk, risk with low probability of occurring but with huge costs when it does occur, was not really understood. It is the most insidious of risks because current management gets rewarded today while leaving the possibility of loss for the future. Taking tail risk was absolutely fundamental to these products.

My takeaway: You need to dig deep enough into a business to truly understand how you make money, and the risks you are taking to make that money. If people answer your questions glibly, go deeper, and always ask the question, "What happens if the assumptions don't hold?"

So, as you know, we exited these areas—controversial at the time because it cost us money, and we were criticized by analysts and investors. Now, it is easy in retrospect to say, "Well, that was clearly the right decision." But it is important to recognize that it could have turned out that these products did *not* blow up as much as they did. In that case, we would have looked pretty stupid, but it was still the right decision for us. We did not want to make money that way. Wrong business model, wrong culture. It is very important to recognize that not all right decisions are going to be profitable decisions.

It is also interesting to see the factors that helped us make that decision. First, we had an alternative. We knew by then, 2005, we had a winner in TD Canada Trust, a franchise which could outperform and replace the lost earnings. And, second, I had the right support in Bharat Masrani, my successor, our Chief Risk Officer. He was capable of understanding these products. He had a gut that told him we were wrong, and he had personality and determination to swim against the tide.

Now, I want to pause here just to make sure I do not leave the impression that the banks alone caused the great financial crisis. They did not. Yes, many of the world's banks did lose their way. They did not understand the risks. They took too much of it. They relied too much on markets for liquidity. They carried too little capital, and they allowed the greed culture to grow unrestrained. Not bad for a list of things to do wrong, right? But they had a lot of help in creating the crisis from regulators who did not understand the risks were focused on process, not on content; central bankers who said, "We don't believe in the risks of asset levels"; politicians who believed that if you provide aid to people to buy houses, you actually help the buyers when everything in economics in history teaches you no, no, no—you are just helping the sellers; and governments and regulators in Europe who saw their banks as national champions and, therefore, were willing to bend the rules to help them, but, then, in return, expected them to be investors in government paper.

I am afraid the rest is history. As it turned out, we were able to build a dealer—of which I am very proud—focused on building old-fashioned banking relationships with our clients.

So, as you know, the next big thing we did was try to enter the United States. Why the United States? Because we believed we could win the ties, attract customers to walk across the street and bank with TD. We knew Americans wanted great service as much as Canadians do, and we believed that we could fulfill this unmet need by playing to our strength as a customer-focused, retail bank. Indeed, America's Most Convenient Bank is both our value proposition and our brand. Still, it is important to know that it was not an easy decision. By making this move, we would have to reinvest some of the outperformance from TD Canada Trust in what would inevitably be underperformance of entering a new market from scratch. It also meant that the leadership team had to be willing to pay a personal price. Our stock price was obviously not going to perform as well in the short and medium terms than if we just said, "Let's just concentrate on the Canadian market." "Understand," I said to my leadership team, "this move will cost each of you money, so you better be ready to make a cheque out to TD."

Our CFO at the time, Dan Marinangeli, who had come up the ranks of TD and was planning to retire in about a year, was going to be especially hard-hit by that decision, but he was the first to speak up, and he said, "We get paid well enough to do the right thing, not the wrong thing. I'm all in." We did not look back after he said that.

So what lessons do I draw from our U.S. experience? First, the support of your board was absolutely critical. We had a thorough and thoughtful discussion of what we were doing: Investing in the future. Our board clearly viewed our leadership team as custodians of a great Canadian institution. Our job, number one, was to leave the bank in stronger shape, not just try to make it look good in the short term. At the same time, we all recognized that you have to recognize and acknowledge the discipline and pressures of the real world. CEOs who are visionaries but cannot manage the demands of the marketplace rarely find themselves in the position to deliver their vision even if the board has bought into that vision. In reality, life is about getting that balance.

The board's support became critical with the passage of time because we learned another lesson: Life never turns out as you planned. We had modeled traditional recessions, but we had never modeled the financial crisis. Here, we had to avoid the pitfalls that befell many of the world's banks, but we completely missed entirely the collateral damage that the crisis would produce. We could not avoid the political policy and regulatory changes which followed. Changes in rules, which cost us half a billion dollars in fees; low interest rates, which cut our spread income by billions of dollars; and the regulatory reaction, which caused us to spend hundreds of millions of dollars on compliance.

But, on the other hand, we did not foresee the emerging opportunities that would come our way to take market shares as others were hamstrung nor all of the advantage that our low-risk, customer-focused model gave us. We underestimated the speed with which our brand could be recognized in the United States and, for that matter, around the world. Indeed, we did not fully appreciate the global profile we would gain from becoming the fifth-largest retail bank in New York City, the most important competitive marketplace in the world as well as the media capital of the world. But nor did we foresee the incredible impact of building a group of American colleagues and how they would have an impact on our retail culture on both sides of the border. The TD pin, our WOW! Awards, where we celebrate contributions of our employees and a willingness when our groups get together to express their enthusiasm in a non-Canadian way, all originate from the U.S. Their energy and verve is not only reinforced our group retail culture, they have transformed it.

So, another takeaway: Be prepared for the very unexpected. The fact that we had de-risked Canada—a conscious decision we had made prior to going into the United States to do that—turned out to be absolutely critical. We also made the decision to scale up fast in the United States. We made more than ten acquisitions over time, but we never in any one bet the farm, and we also decided not to do sub-prime lending, even though it made us look like a poor performer

in our early years. Now, the key to this is that you have to have a view of the totality of the company's risk balance, not just the risk you are taking on in a single decision.

The rest of the story you know well: We had incredible growth. As Marc-André mentioned, our stock price when I started was about $15 and our market cap, $19 billion. Today, we are $57.50 or so, and we have a market cap of $105 billion.

Now, we learned a lot of things from this growth: Growth creates its own complexity that you have to manage. And, I would say, truthfully, it has taken us awhile to realize that. We still struggle with that. The key message, though, is because of that, you should shed businesses you do not need, and you should be vigilant about strategic drift.

We wrestle all the time with whether scale produces the economies or diseconomies. In the financial world, you see the dilemma. Monolines beat universal banks. Monolines have people with true expertise and a maniacal focus. But then, when you step back, almost all monolines end up being owned by universal banks. So why is that the case? Because their growth trajectory stops at a certain point without the broad cross-sale and brand features of universal banks.

I learned two lessons from this: First, a universal bank needs to create as many monoline characteristics as they can, which means creating jobs with real end responsibility and real bottom-line responsibility. But, in doing so, you have to be careful of the real big danger, the creation of silos. To offset them, you have to foster a very strong and unifying culture. For us, there is only one TD, one team that works for the customers, not ourselves. And, where you do centralize, get economies of scale or capability, you have to find ways to tie those central groups so that they feel the heat of the profit and loss statement. The second lesson is that the biggest scale of economy, by far, is capability. By creating a larger company, a growth company, you can attract and grow talent, which is always, in the end, the real source of competitive advantage.

So this leads me to another one of our lessons: Growth creates its own demand for better people. Growth, especially, cross-border growth, requires skills, with executive, with unique skill sets. So even if you think that you have a great company, and you are at the end of the journey, frankly, you never are. You always need better people, and you always need to make your people better. To do that you have to do a few things: First, you have to get leaders to understand that growing their business does not make them great leaders. They also have to grow their people. They have to attract, grow and export the next generation of leaders to other parts of the business. Now, again, this may seem like common sense to you, but I am telling you that it is not common practice. Ask any executive, "How do you think you're judged at the end of the year?" And they will say, "By business performance." For many executives, it is counterintuitive that people management is as critical as business management, just as it is counterintuitive for many to think that EQ is worth as much as IQ. But we know, in the end, and all of us know that if you have happy and committed employees, you are going to have happy and committed customers, and you will have happy and committed shareholders.

Secondly, as an organization, you have to focus on your employment brand. It will not surprise you that I come back to brand. It is critical in building an enduring franchise, but it is also very important to understand what brand really is and what it is not. Brand tells people what you should expect as customers, employees, investors, regulators, or journalists. In the end, you can only create a brand by concentrating on actually doing, not telling, not advertising, not making speeches but actually doing, creating a reality which day-to-day reflects what is important to you. I have seen people try to shortcut the process by marketing a brand that is not consistent with what they actually do, and that, always, in the end, makes the brand worse.

Let me end on what I believe is the glue that binds. It is culture. Culture is what people do when no one is looking. It means that at every level, the bank's risk decisions are based on what is best for the institution. It means people do what is best for the customer, do what is best for TD, not for themselves. It means that people are rewarded for doing good, not looking good. It means that people feel comfortable disclosing the stakes. It means treating people respectfully. I am still astonished in this day and age that some leaders are admired when they yell at people. Is that respectable? Is someone who does that really a great leader, even if it does produce great short-term results?

A great culture leaves prejudice at home. It celebrates diversity, not as a gimmick to attract customers, but because it is right. It serves the broader interests of the community. If those around us are doing well, then we will do well. It celebrates generosity of spirit. People care, care about people individually, care about society, care that others are given credit and grow. It is a culture which makes you proud. You want to say, "I *love* working here. I *love* the people here. *You* would love working here." This is exactly how I feel about my time at Canada Trust and TD. For me, the 23 years since I joined Canada Trust and the 14 years since I joined TD, have been a tremendous learning journey. It turned out that, as long as I listen, was willing to adapt and change, surrounded myself with people who were smarter than me, then the people trained me rather than I trained them.

We have had great success, not because of me but because of the tremendous group of leaders who bled green, bought into the dream, executed well beyond anything that I ever could have done. But the thing I will remember most important are those great moments, those human moments, the good and the bad times that we all shared where we all

focused on a simple goal: Do the right thing, and the rest will take care of itself. Thank you very much.

Concluding Remarks by Andrea Wood

Is it any wonder why today's speaker has earned the reputation as a straight talker? Thank you very much, Ed. Ed possesses, as one reporter noted, "the rare ability to explain things so anyone can understand them." But, then again, why would TD's retiring CEO make things complicated when the bank's formula for success boils down to a few simple principles? We learned today about some of them: Find out what your business is good at, and stick to it. Focus on doing the right thing for your customers, and the rest will follow. Help your employees be their best selves, and they will be your competitive advantage.

Yes, under Ed, TD's growth story has created its own set of complexities and challenges. The bank has needed to adapt and evolve over the years, but knowing what to change and what to keep the same, that is the key in building an enduring franchise, something that Ed and his leadership team have done remarkably well. All great CEOs see their role, their greatest responsibility as being to leave the organization in stronger shape than when they first joined. Ed, you have achieved this hands down. Your bank is better for it. Our business community is better for it and so is our country.

Thank you for sharing your intimate and insightful tales of leadership with us today, but, mostly, thank you for being a leader who cares deeply about the people and the communities you serve. Thank you, sir.

As a token of our appreciation, on behalf of the Empire Club, I would like to present you with a copy of one of our historic *Red Books*. These iconic books record every speech for every address delivered at the Empire Club since 1903. Yours will be in it, and we look forward to presenting you with a copy of your own *Red Book* when it is available. Thank you very much.

Before you all head on your way, please, allow me to express a few final thanks. Thank you very much to our generous sponsors, our event sponsors, McCarthy Tétrault, Ernst & Young, IBK Capital Corp. and Deloitte. Thank you also to our VIP reception sponsor, Toronto Financial Services Alliance and our student table sponsor, IBK Capital Corp.

I would also like to thank the *National Post* as our print media sponsor and Van Valkenberg for providing AV support.

You can follow us at Twitter at @Empire_Club and visit us online at empireclub.org. Thank you all for coming. This meeting is now adjourned.