

FOR IMMEDIATE RELEASE

Toronto Financial Services Alliance welcomes CMHC report on Islamic financing

TORONTO, January 27, 2010 – The Toronto Financial Services Alliance (TFSA) welcomed the release today of a report prepared for Canada Mortgage and Housing Corporation (CMHC) that concludes that Islamic financing products – and, in particular, housing loans – can be accommodated under Canadian legal and accounting rules.

“The TFSA has recently established a working group to consider challenges and opportunities for Toronto related to Islamic finance,” said TFSA president Janet Ecker, “and these findings will be encouraging to our members.”

While the CMHC report, prepared by law firm Gowling Lafleur Henderson LLP, focuses on consumer lending, the TFSA working group is examining the broader range of Islamic financing options, and exploring the value of this alternative source of corporate and sovereign debt financing.

“As a global financial services centre, Toronto has the potential to develop expertise in this area for North America,” said Ms. Ecker, “as London has in the European marketplace.”

Ms. Ecker noted that there are still areas of uncertainty, starting with issues of taxation, and that it will still be necessary to make the case to governments that certain changes are desirable to create a more favourable environment in Canada for these alternative financing options and products.

Working with the provincial and federal governments, the TFSA will be representing the interests of its members who want to become more involved in providing Islamic financing options for customers in Canada and abroad.

About the TFSA:

The Toronto Financial Services Alliance is a public/private initiative whose mandate is to enhance and promote the long-term competitiveness of Toronto as a premier North American financial services centre. Its membership encompasses core financial services companies – banks, brokerages, investment fund managers, insurance companies – as well as partner sectors – accounting, law and education. The TFSA was created in 2001 by the financial services industry, in partnership with the City of Toronto and with the support of the federal and provincial governments. For more information, please check our Website at www.tfsa.ca.

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For further information, please contact:
Brian Smith
Tel. (416) 822-3130
bsmith@ircounsel.ca