



Reval SDR, Inc.

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# Rule Book

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Version 1.1  
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## Table of Contents

<b>Reval SDR, Inc.</b> .....	<b>1</b>
<b>Version 1.1</b> .....	<b>1</b>
May 8, 2012 .....	1
<b>1) Acceptance of Data</b> .....	<b>3</b>
<b>1.1 Creation Data: Primary Economic Terms (PET) and Confirmation Data</b> .....	<b>3</b>
1.1.1 PET Data .....	3
1.1.2 Confirmation Data .....	3
1.1.3 Acceptance of Creation Data .....	3
<b>1.2 Continuation Data</b> .....	<b>3</b>
1.2.1 Life Cycle Approach .....	3
1.2.2 Snapshot Approach .....	4
<b>1.3 The Use of Unique Identifiers</b> .....	<b>4</b>
1.3.1 Legal Entity Identifiers (“LEI”).....	4
1.3.2 Unique Swap Identifiers (“USI”) .....	4
1.3.3 Unique Product Identifiers (“UPI”).....	5
<b>1.4 Documentation for Submission and Retrieval of Swap Data</b> .....	<b>5</b>
<b>1.5 Data Submission Formats</b> .....	<b>6</b>
<b>1.6 Asset Classes</b> .....	<b>6</b>
<b>2) Confirmation of Data Accuracy</b> .....	<b>6</b>
<b>2.1 Swap Data Accuracy</b> .....	<b>6</b>
2.1.1 Swap Data Submission Validation .....	6
2.1.2 Verification of Swap Data .....	7
2.1.3 Further Swap Data Validation .....	7
2.1.4 Resolution of Disputes for Swap Data.....	7
<b>2.2 Position Data</b> .....	<b>8</b>
2.2.1 Position Data Accuracy.....	8
2.2.2 Resolution of Disputes for Position Data .....	8
<b>3) Recordkeeping Requirements and Data Retention</b> .....	<b>8</b>
<b>3.1 Recordkeeping Requirements</b> .....	<b>8</b>
<b>3.2 Data Retention</b> .....	<b>8</b>
<b>3.3 Rules and Requirements for Reporting Entities</b> .....	<b>9</b>
<b>3.4 Duty to Notify Prudential Regulators of Untimely Data</b> .....	<b>9</b>
<b>3.5 Schedule of Fees</b> .....	<b>9</b>
<b>4) Monitoring, Screening and Analyzing Swap Data</b> .....	<b>9</b>
<b>5) Real-Time Public Reporting</b> .....	<b>9</b>
<b>6) Maintenance of Data Privacy</b> .....	<b>10</b>
<b>6.1 Core Data</b> .....	<b>10</b>
<b>6.2 Authorized to Access and Distribute Data</b> .....	<b>10</b>
<b>6.3 Safeguards and Firewalls</b> .....	<b>10</b>
<b>6.4 Unused Confidential Data</b> .....	<b>10</b>
<b>7) Use of and Access to SDR Data</b> .....	<b>11</b>

7.1 Reval SDR, Inc. Use of Data .....	11
7.2 Open and Fair Access to SDR Services .....	11
7.3 Data Access.....	11
7.4 General Limitations to Access .....	12
7.5 Investigation of Complaints .....	13
7.6 Responsive Action.....	13
<b>8) Emergency Authority Procedures and System Safeguards.....</b>	<b>13</b>
8.1 Emergency Policies and Procedures.....	13
8.2 Business Continuity / Disaster Recovery Plan .....	14
8.3 Operations Disaster Recovery Plan.....	14
8.4 Data Center Disaster Recovery Plan .....	14
8.5 Backup Systems.....	15
8.6 Interruptions.....	16
<b>9) Core Principles and Additional Duties .....</b>	<b>16</b>
9.1 Core Principles.....	16
9.1.1 Anti-Trust Considerations.....	16
9.1.2 Governance Arrangements .....	16
9.1.3 Conflicts of Interest.....	16
9.2 Additional Duties .....	17
9.3 Policies for Compliance with Core Principles.....	17
9.3.1 Internal Control Environment.....	17
9.3.2 Board Established Oversight and Governing Committees.....	18
9.3.3 Support and Servicing.....	19
<b>10) Acknowledgement of Acceptance of Reval SDR, Inc.'s Terms and Conditions.....</b>	<b>19</b>
<b>Appendix A .....</b>	<b>20</b>
<b>Appendix B .....</b>	<b>23</b>
<b>Appendix C.....</b>	<b>30</b>
<b>Appendix D .....</b>	<b>38</b>
<b>Appendix E.....</b>	<b>49</b>

## **1) Acceptance of Data**

### **1.1 Creation Data: Primary Economic Terms (PET) and Confirmation Data**

#### **1.1.1 PET Data**

Reval SDR, Inc. will accept Creation Data and Continuation Data for any reporting entity that agrees to the terms outlined in the SDR User Agreement and becomes a client, without discrimination.

Reval SDR, Inc. will accept PET data, which at a minimum would include the data fields defined in 17 CFR Part 45 for applicable asset classes. Reval SDR, Inc. will remain flexible such that it can include any other relevant data fields necessary or required by the market and/or regulators.

#### **1.1.2 Confirmation Data**

Reval SDR, Inc. will accept Confirmation Data, which will include all terms of a swap which has been agreed upon by the counterparties when confirming the swap, including any internal identifiers, as defined in 17 CFR Part 45.

#### **1.1.3 Acceptance of Creation Data**

Reval SDR, Inc. will accept Creation Data in one submission for “cleared swaps”, i.e. swaps cleared by a Designation Clearing Organization (DCO). In addition, cleared swaps will include a data field which will uniquely identify the trade as being cleared by the DCO. For swaps that have not been cleared by DCO, these data submissions will occur separately for PET and Confirmation Data. Reval SDR, Inc. will also accept an electronic image, or scan of a paper confirmation in such cases where this is necessary and allowed under the 17 CFR Part 45 and 17 CFR Part 44.

### **1.2 Continuation Data**

Reval SDR, Inc. will also accept continuation data, which includes market valuations or changes to PET and/or confirmation data. Although Reval SDR, Inc. will primarily receive data from its clients under the Life Cycle Approach, it may choose to accept data from a client under the Snapshot Approach, when necessary.

#### **1.2.1 Life Cycle Approach**

In order to submit valuation data, or to submit changes to their previously reported creation data, clients will submit these changes as part of their continuation data. Market valuation data would be submitted on a daily basis for any Swap Dealer (SD)/Major Swap Participant (MSP) reporting counterparty or for a DCO reporting valuation data on behalf of a non-SD/MSP reporting counterparty for a “cleared” swap. For non-SD/MSP reporting counterparties related to “un-cleared” swaps, valuation data would only be required on a quarterly basis, according to 17 CFR Part 45. If however a Client is submitting a change in creation data previously reported, they must follow the submission requirements outlined in 17 CFR Part 45. For cleared swaps, the Client will be required to report said changes to Reval SDR, Inc. on the same day that such changes take. For non-cleared swaps, reporting counterparties will be allowed to report continuation data no later than the end of the second business day following the date of a relevant change during the first year of reporting, and no later than the end of the first business day following the date of a relevant change thereafter.

### **1.2.2 Snapshot Approach**

If a client is not able to report under the life cycle approach, Reval SDR, Inc. may make the exception to handle their account under the snapshot approach. This would require the same confirmation of the swap creation data as previously described in this section. However, in the snapshot approach, after the initial submission, the client would be required to notify Reval SDR, Inc. if any creation data was amended in subsequent snapshots provided. As detailed above in the Life-Cycle Approach, if there is a change to previously reported data, a client would be required to submit that data under the requirements detailed in 17 CFR Part 45.

## **1.3 The Use of Unique Identifiers**

### **1.3.1 Legal Entity Identifiers (“LEI”)**

The CFTC is requiring that every reporting entity and each of its counterparties to a trade reported to a SDR to be identified in all swap data reporting and recordkeeping by a unique Legal Entity Identifier (“LEI”). This identifier must be issued in accordance with ISO Standard 17442, and executed according to the technical and governance requirements set forth in 17 CFR Part 45. Reval SDR, Inc. will require an LEI for all reporting entities and their counterparties, pursuant to this part of the rule.

The Commission views this requirement as a “phase 1” approach to a global LEI capable of becoming the single international standard for unique identification of legal entities across the world financial sector. To this end, the Commission will designate an LEI utility that will provide the LEI to be used in complying with this rule. After the LEI utility has been issued, each registered reporting entity and swap counterparty must use its LEI in all recordkeeping and swap data reporting. Reval SDR, Inc. will accept the LEI for both reporting entity and swap counterparty as part of the Primary Economic Terms (PET) data.

Until such time that the LEI utility has been designated by the Commission, Reval SDR, Inc. will create and assign a substitute counterparty identifier for all registered entities and swap counterparties, as required by 17 CFR Part 45. Reval will issue this substitute identifier in accordance with the technical and governance requirements set forth in this rule. Once an LEI has been designated by the Commission, the reporting entities will replace the substitute identifier with the newly created LEI for all applicable trades in Reval SDR, Inc.

### **1.3.2 Unique Swap Identifiers (“USI”)**

Each swap is required to be identified in all data reporting and recordkeeping by a Unique Swap Identifier (“USI”), per 17 CFR Part 45. Reval SDR, Inc. will require this USI for all swaps reported in from a reporting entity as part of PET.

The CFTC has outlined a “First Touch” approach to the creation of USI’s such that the USI will be created at the point of swap execution. For facility-executed swaps, the USI will be created by SEFs and DCMs. For off-facility swaps, in which they are the reporting counterparty, SDs and MSPs will create the USI. For off-facility swaps between non-SD/MSP counterparties, who may lack the technical sophistication or automated systems needed for USI creation, the USI will be created by Reval SDR, Inc.

Reval SDR, Inc. will also require, pursuant to 17 CFR Part 45, that the reporting counterparty create a USI for each of the individual swaps resulting from allocation. The PET data for such a swap will include an indication that the swap will be allocated, and include the LEI of the agent, but not the LEIs of the non-reporting counterparties. Once the agent notifies the reporting entity of the counterparties identities, (which must occur as soon as technologically practical after execution or at least within eight business hours of execution) the reporting entity must report each swap along with a USI for each, as soon as technologically practical after execution or at least within eight business hours of execution.

For any post-allocation swap, Reval SDR, Inc. will require a report containing: an indication that the swap is a post-allocation swap; the USI of the original transaction; the USI of the post-allocation swap; the LEI of the actual counterparty; and the LEI of the agent. Reval SDR, Inc. will map together the USIs of the original swap and of each of the post-allocation swaps, pursuant to 17 CFR Part 45.

USI codes created at the time of execution using the first-touch approach will only be replaced where a new swap takes the place of an old swap. In such cases a new USI will be assigned to the new swap, and Reval SDR, Inc. will map the new USI back to the USIs of the swaps from which the new swap originated, in a manner such that the Commission and other regulators can follow the history and audit trail of each affected swap. All submissions of continuation data must reference the USI of the original swap submission. If a USI is not recognized, it will be considered a new swap and will only be accepted if designated as creation data.

In the case of historical swaps, Reval SDR, Inc. will issue the USI's, as required under 17 CFR Part 45. Reval SDR, Inc. understands that the Commission will provide the necessary guidelines and requirements in 17 CFR Part 46 rule for historical swaps.

### **1.3.3 Unique Product Identifiers (“UPI”)**

The CFTC requires in 17 CFR Part 45 that each swap be identified by a Unique Product Identifier (“UPI”) that will be issued according to a Commission designed Product Classification System. This system will identify the swap asset class, the sub-type within that class, and the underlying product for that swap. It will also contain sufficient detail for the regulators to fulfill their responsibilities and to enhance real time reporting.

The Commission will create a UPI and Product Classification System that will satisfy these requirements. Once created, the CFTC will designate it for use and require registered entities and swap counterparties to use it in compliance with 17 CFR Part 45. Until such time that this UPI and Product Classification System is available, Reval SDR, Inc. will issue a product identifier or product description in all recordkeeping and swap data reporting, as required in 17 CFR Part 45. Once a UPI and Product Classification System has been designated by the Commission, the reporting entities will replace the substitute UPI with the newly created UPI for all applicable trades in Reval SDR, Inc.

## **1.4 Documentation for Submission and Retrieval of Swap Data**

Reval SDR, Inc. provides manuals, instructions, and other guides to subscribed SDR reporting entities, the Commission and other approved regulators. These documents are available on [www.revalcdr.com](http://www.revalcdr.com).

## 1.5 Data Submission Formats

Reval SDR, Inc. will require creation data and continuation data to be submitted in a format supported by Reval SDR, Inc.'s automated system. Reval SDR, Inc. intends to work with reporting entities to identify or define common standards and may eventually support multiple formats for data submission. Initially Reval SDR, Inc. will support a proprietary format known as Reval Connect Trade Import Specification. The Reval Connect Trade Import Specification allows for additional data outside the scope of the Primary Economic Terms or confirmation data required by 17 CFR Part 45, but such additional data is optional and will not limit an entity's ability to report to the SDR. Reval SDR, Inc. provides specifications and samples of the Reval Connect Trade Import Specification to subscribed reporting entities and to the Commission on request. Reval SDR, Inc. will work with each reporting entity to the SDR to map the reporting entity's data to the Reval Connect Trade Import Specification.

Regardless of the data submission formats supported, Reval SDR, Inc. will comply with all regulations for real-time public reporting of swap data and for provision of confidential swap data to the Commission.

## 1.6 Asset Classes

Reval SDR, Inc. will accept swap data for the following asset classes:

- Interest Rate
- Foreign Exchange
- Commodity (Environmental, Energy, Metals, and Agriculture)
- Certain Hybrid Derivatives

## **2) Confirmation of Data Accuracy**

### 2.1 Swap Data Accuracy

#### **2.1.1 Swap Data Submission Validation**

Swap data submitted to Reval SDR, Inc. can be broken down into two categories: "creation data," which contains primary economic terms (PET) and confirmation-related data, and "continuation data," which contains market valuations or changes to PET and/or confirmation data. For any submission of PET data, as part of Reval SDR, Inc.'s service, it will ensure upon submission that all required fields are populated and validated. If any submission fails validation, the data reporting entity (swap participant, swap execution facility (SEF), designated contract market (DCM) or designated clearing organization (DCO)) would be notified that the trade in question was either submitted with an error or insufficient information. The data reporting entity would either need to re-submit the trade with sufficient and/or corrected data or notify Reval SDR, Inc. that the trade was not valid and request cancellation. This same procedure would apply to any confirmation related data or continuation data sent by the data reporting entity. If any required confirmation or continuation field data is either not populated or invalid, the data reporting entity would again be notified by Reval SDR, Inc.

Participants are responsible for timely resolution of any trade errors reported as per the above validation. Reval SDR, Inc. also provides flexibility of trade data extract to assist in their reconciliation process.

### **2.1.2 Verification of Swap Data**

Further swap data accuracy is validated by the swap data verification process. Any swaps which are either cleared by any DCO or executed on a DCM or SEF an indicator as such will be stored by Reval SDR, Inc. along with the swap data, as the identifier that the swap was cleared by a DCO or executed by DCM/SEF. In addition, the status of these types of trades will automatically be deemed “verified” after it is considered a valid trade in the Reval SDR. No other verification will be required by the Reval SDR, Inc. as they are by definition considered verified since they were electronically matched.

For swaps not cleared on a DCO or executed on DCM/SEF, Reval SDR, Inc. will need to rely on the reporting entity to confirm the accuracy of the swap data submitted to Reval SDR, Inc. Participants have the ability to certify that the trade was confirmed directly in Reval SDR, Inc. utilizing our workflow module, which will amend the status of the trade from “unverified” to “verified”.

Continuation data reported to the Reval SDR, Inc. for swaps which have been electronically matched are again considered “verified” upon submission, since it has been cleared by a DCO or executed on a DCM/SEF. For swaps not cleared on a DCO or executed on a DCM/SEF, if any continuation data reported to Reval SDR, Inc. amends any previously certified creation data, the swap data status would be amended to “unverified” again and would require certification by the participant. It would follow the same verification process as previously outlined for initial swap creation data submission. The verification for swap data will be monitored by Reval SDR, Inc. to ensure timely trade certification. The SDR will perform any follow up actions as deemed necessary.

Since market values will also be reported as part of continuation data, Reval SDR, Inc. will make available to clients on a daily basis the ability to view their submitted values via a report. This report can then be used by the client for reconciliation and validation purposes. The report will be available after successful submission of continuation data by the client. In addition, regulators will also have access to the reports in order for full disclosure and daily valuation reporting as deemed necessary.

### **2.1.3 Further Swap Data Validation**

Besides the above mentioned procedures and controls concerning swap data submission, Reval SDR, Inc. will also ensure that during the swap data recording process into the Reval SDR, Inc., there is no invalidation or modification of the terms submitted by the reporting entity in accordance with 17 CFR Part 49. In addition, data access for clients and regulators would be setup appropriately with administrators for each entity supported by user agreements.

### **2.1.4 Resolution of Disputes for Swap Data**

For cleared swaps, participants must report any errors to the relevant DCO and Reval SDR, Inc. will only adjust any trade data when the DCO re-submits corrected trade data.

Disputes on swap data for swaps not cleared on a DCO, participants will notify Reval SDR, Inc. of the dispute and a notification will be sent to the other part of the trade informing them of the dispute. This swap data will be marked as “in dispute” until either there is mutual agreement of both parties to the

existing trade data or amended or cancellation trade data is sent to the Reval SDR, Inc. by the data reporting entity.

## 2.2 Position Data

### **2.2.1 Position Data Accuracy**

Position data is aggregated based on swap creation data submitted to the Reval SDR, Inc. Reval SDR, Inc. can then aggregate the data based on a variety of attributes and have available reports which provide this information on a gross or net basis. For more detailed information on the calculation and reporting of positions within the SDR, please see Appendix E.

Reval SDR, Inc. will ensure the accuracy of the position data initially by ensuring the accuracy of the creation data and continuation data as outlined in this rulebook. These procedures will provide the initial accuracy check for being able to aggregate accurate positions as they are reported to the SDR. Aside from the initial validation and confirmation controls around the accuracy of swap data being reported to the SDR, Reval SDR, Inc. also makes available these position reports to clients, giving them the ability to reconcile this position data. In addition, the ability to drill down into the details of trades comprising their positions also allows them to ensure they are in agreement with the calculation of the positions represented by the SDR. Their views into the SDR, while subject to a variety of access controls, would also allow them to utilize the SDR's robust reporting module.

### **2.2.2 Resolution of Disputes for Position Data**

Disputes on position data would occur if the participant does not agree with their respective positions. Since Reval SDR, Inc. has instituted comprehensive policy and procedures governing accuracy of swap data and resolving disputes surrounding swap data, disputes on position data should therefore be limited. If any participant has identified a discrepancy in position data by the way of running its position report in the SDR, the participant once it has identified the trade(s) in question, would report this trade dispute(s) in accordance with the above mentioned process.

## **3) Recordkeeping Requirements and Data Retention**

### 3.1 Recordkeeping Requirements

Reval SDR, Inc. will maintain swap records throughout the swap's life as well as five (5) years following termination. During this time, the records will be available to the Commission in electronic, real-time access. In addition, these records will be held in archival storage for ten (10) years and capable of being retrieved within three (3) business days, as required in 17 CFR Part 49 and 17 CFR Part 45. In addition, Reval SDR, Inc. will make all records available and open to inspection by The Department of Justice and the Commission, pursuant to 17 CFR Part 49.

### 3.2 Data Retention

Reval SDR, Inc. backs up the production database and application on a daily basis. Full backups are run weekly, and differential backups are run every night to back up the difference from the last backup. Backups are then compressed and electronically transferred from the primary data center to the

secondary and corporate data centers every night. Compressed files are backed up to tape on the next day. Tapes are sent offsite on a weekly basis. Offsite tape storage holds three weeks of daily and weekly archives. Monthly tapes are archived for one year. Tape restores are tested on a quarterly basis.

### 3.3 Rules and Requirements for Reporting Entities

Reporting Entities into Reval SDR, Inc. are bound by the rules and requirements as detailed in 17 CFR Part 45.

### 3.4 Duty to Notify Prudential Regulators of Untimely Data

Reval SDR, Inc. will notify the Commission of any swap transaction for which the real-time swap data is not received by Reval SDR, Inc. in accordance with 17 CFR Part 43.

### 3.5 Schedule of Fees

The service and pricing schedule for Reval SDR, Inc.'s services is available online at [www.revalsdr.com](http://www.revalsdr.com).

## **4) Monitoring, Screening and Analyzing Swap Data**

Reval SDR, Inc. is to provide support as needed to the Commission in their effort to oversee the swap market and its participants. In addition to providing a robust automated trade capture system, Reval SDR, Inc. is equipped for additional monitoring, screening and analyzing swap data, which can enhance the Commission's ability to determine compliance in the market, and, among other things, the number and source of clearing exemption claims as required in Section 21 (c) (5) of the CEA, as amended by section 728 of the Dodd-Frank Act. At such time that the Commission establishes specific monitoring, screening and analyzing requirements, Reval SDR, Inc. understands that an adequate notice period will be provided to allow Reval SDR, Inc. to comply with such requirements and notify the Commission of its ability to comply, as detailed in 17 CFR Part 49.

## **5) Real-Time Public Reporting**

Reval SDR, Inc. will support and comply with the requirements of 17 CFR Part 43 of the Commission's Regulations governing real-time public reporting of swap repository data. Data elements applicable to the asset classes for which Reval SDR, Inc. is registering – Foreign Exchange, Interest Rate, Commodity, and certain hybrid derivatives – will be among the applicable Primary Economic Terms and creation data collected by Reval SDR, Inc. from reporting entities. Reval SDR, Inc. will include these elements in all real-time public reporting, except for those instruments such as certain Other Commodity swaps which are not publicly reportable per 17 CFR 43.4.

Pursuant to 17 CFR Part 43, Reval SDR, Inc. will publicly report new and amended trade data by posting the appropriate data elements such that it is publicly-accessible in a consistent, usable and machine-readable electronic format that allows the data to be downloaded, saved and analyzed. Reval SDR, Inc. will post the data as soon as practical and in accordance with the rules.

## **6) Maintenance of Data Privacy**

Pursuant with Section 21(c)(6) of the CEA, Reval SDR, Inc. will “maintain the privacy of any and all swap transaction information that the SDR receives from an SD, counterparty, or any other registered entity.”

### **6.1 Core Data**

All information entered into Reval SDR, Inc. intended for the use by the Commission and other regulators that is subject to statutory confidential treatment is referred to as “Core Data” and is to be held confidential. This includes information entered by both Reval SDR, Inc. and clients. Pursuant with 17 CFR Part 49, Reval SDR, Inc.’s policy prohibits the disclosure of “Core Data” to any person or entity unless explicitly agreed to by the reporting entity. The “Core Data” will not be accessed, disclosed or used for purposes unrelated to SDR responsibilities under the CEA or the regulations there under unless explicitly agreed to by the reporting entity.

Reval SDR, Inc. firewalls protect the maintenance of data and permit access to this data in order to protect data and information from improper disclosure. As per 17 CFR Part 49, material typically includes trade data, position data, business transactions, trade secrets and any other non-public personal information about a market participant or any of its customers.

Reval SDR, Inc.’s safeguards, policies and procedures ensure SDR compliance with 17 CFR Part 49 to (a) limit access and protect information that is not Section 8 material, as well as intellectual property that may include trading strategies, and (b) maintain standards and oversight of those persons associated with Reval SDR, Inc. in trading for their personal benefit or the benefit of others.

### **6.2 Authorized to Access and Distribute Data**

Reval SDR, Inc. has strict application and database security policies and procedures to ensure that data remains accurate, secure and accessible to authorized users. Access privileges for each type of Market Participant are defined and outlined in the following section, Use and Access to SDR Data.

### **6.3 Safeguards and Firewalls**

In addition to the application and database security as noted above, Reval SDR, Inc. has twin firewalls to provide protection against intruders for all internet facing devices. A second set of firewalls provide a buffer zone between the web servers and the database and application servers. An escalation and remediation plan is in place for security breaches. Reval SDR, Inc. also periodically has outside firms conduct security vulnerability assessments on Reval SDR, Inc.’s production environment.

### **6.4 Unused Confidential Data**

Reval SDR, Inc. will not only maintain client’s swap records throughout the swap’s life, but also for five (5) years following its termination. During this time, the records will be available to The Commission in electronic, real-time access. In addition, these records will be held in archival storage for ten (10) years and capable of being retrieved within three (3) business days, as required in 17 CFR Part 49 and 17 CFR

Part 45. In addition, Reval SDR, Inc. will make all records available and open to inspection by The Department of Justice and the Commission, pursuant 17 CFR Part 49.

Upon the completion of the required retention periods, Reval SDR, Inc. requires the destruction of all unused confidential data. This includes client data that is no longer in use. Paper documents and compact discs are shredded. Magnetic storage is shredded and melted.

## **7) Use of and Access to SDR Data**

### **7.1 Reval SDR, Inc. Use of Data**

Reval SDR, Inc. will use the data contained in the SDR according to the Requirements detailed in 17 CFR Parts 43, 44, 45, and 49. Access to this data will be controlled as detailed below. Primarily, this data will be used to support the Commission in monitoring and analyzing the swap market data. Reval SDR, Inc. is committed to the security of its SDR data and has adopted firewalls and controls, as required, to protect the transaction data from misuse or unlawful access.

### **7.2 Open and Fair Access to SDR Services**

Reval SDR, Inc. will electronically accept data and provide services for all trades in the asset classes for which it is registered, for any of its accepted clients, without limitation, prohibition, or discrimination. Any reporting entity that meets the Reval SDR, Inc. acceptance criteria will be accepted as a client.

Reval SDR, Inc. will ensure any reporting entity that has applied and met the Reval SDR, Inc. acceptance criteria outlined in the access agreement will be accepted as a Reval SDR, Inc. client. Each application will be stored and tracked so that Reval SDR, Inc. has a clear record of why a particular entity was granted or denied access. Reval SDR, Inc. will neither limit nor prohibit an applicant access to data or services if they meet Reval SDR, Inc.'s acceptance criteria and sign an Access Agreement for such services. The Chief Compliance Officer (CCO) will be responsible to oversee the SDR acceptance guidelines and practices. If discrimination is suspected, the claim will be investigated and responsive action will be taken.

### **7.3 Data Access**

Reval SDR, Inc. has developed strict access guidelines, which are outlined below, to ensure that the data within the SDR remains accurate, and to ensure access is not discriminatory. The CCO will be responsible to oversee the SDR access criteria and related practices. If discrimination is suspected, the claim will be investigated and responsive action will be taken.

- **Reporting Entities** - Reval SDR, Inc. will limit access to or use of swap data collection services to reporting entities that have executed certain legal agreements with Reval SDR, Inc. including but not limited to conditions of use, fee agreements, privacy and confidentiality agreements, and terms of liability.

- **The CFTC** - Reval SDR, Inc. will provide direct electronic access to the SDR and monitoring tools as described in 17 CFR Part 49 to authorized users of the Commission or the Commission's designee in order for the Commission to carry out its legal and statutory responsibilities under the CEA and related regulations. Reval SDR, Inc. will maintain a list of authorized users and make it available to the Commission on demand.
- **Appropriate Domestic Regulators and Appropriate Foreign Regulators** - Before accessing Reval SDR, Inc.'s services, an Appropriate Domestic Regulator or Appropriate Foreign Regulator must file a request for access with Reval SDR, Inc. and certify that it is acting within the scope of its jurisdiction, except where exempted under 17 CFR Part 49. If the request for access is from an Appropriate Domestic Regulator or Appropriate Foreign Regulator, Reval SDR, Inc. will promptly notify the Commission of such request. Reval SDR, Inc. will grant access to the requestor subject to the Appropriate Domestic Regulator or Appropriate Foreign Regulator executing a "Confidentiality and Indemnification Agreement" with Reval SDR, Inc. consistent with 17 CFR Part 49.
- **Third Parties** – It is anticipated that certain third parties may require access to the data and information maintained by Reval SDR, Inc. in order to provide various technology and data-related services including but not limited to security and process audits, hosting services, development services, and deployment services. Before granting such access to a third-party, Reval SDR, Inc. will, consistent with 17 CFR Part 49, ensure (1) that both Reval SDR, Inc. and the third-party service provider have strict confidentiality procedures that protect data and information from improper disclosure; and (2) that Reval SDR, Inc. and the third-party service provider execute a "Confidentiality Agreement" setting forth minimum confidentiality procedures and permissible uses of the information maintained by Reval SDR, Inc. that are equivalent to the privacy procedures for swap data repositories in 17 CFR Part 49.
- **Market Participants** – Generally, market participants will be prohibited from accessing swap data maintained by Reval SDR, Inc. However, Reval SDR, Inc. will provide a procedure to grant access to data and information related to a particular swap that it maintains to either counterparty to that particular swap.

#### 7.4 General Limitations to Access

Notwithstanding access granted in accordance with the policies above, access to Reval SDR, Inc.'s services may be periodically suspended due to planned system maintenance. Reval SDR, Inc. will publish and communicate a planned system maintenance window to all authorized users well in advance of the planned interruption.

Reval SDR, Inc. also reserves the right to revoke access from any user for any material breach of the service agreement. Prior to the revocation of access to Reval SDR, Inc.'s services from any user, the Chief Operating Officer (COO) shall review the basis for the revocation for compliance with rules of Reval SDR, Inc.'s services. Reval SDR, Inc. will provide advance notice to the user of such revocation. If the CCO determines that revocation of a user's access to Reval SDR, Inc.'s services is not justified, the CCO shall take necessary actions to restore user's access to such services.

## 7.5 Investigation of Complaints

Reval SDR, Inc.'s CCO will promptly investigate every complaint, from clients or potential clients, and effectively resolve any instance of suspected discrimination. Each person making a complaint, the alleged discriminator and all knowledgeable employees, have an obligation to cooperate fully with an investigation. The investigation may include individual interviews with those involved and, when necessary, with individuals who may have knowledge of the alleged discrimination.

## 7.6 Responsive Action

Upon completion of the CCO's investigation into the complaint, the CCO will take responsive action to resolve the situation. Any person found to have committed prohibited discrimination will be subjected to disciplinary action up to, and including, termination.

# **8) Emergency Authority Procedures and System Safeguards**

## 8.1 Emergency Policies and Procedures

Reval SDR, Inc.'s authority to implement emergency procedures is encompassed in the empowerments contained in its corporate resolutions and by-laws. In addition, in accordance with the requirements of 17 CFR Part 49, Reval SDR, Inc. may exercise emergency authority if ordered to do so by the CFTC.

Emergency authority may be invoked under situations that include but are not limited to the following: (i) any action taken by any governmental body, regulator or reporting entity that may have a direct impact on Reval SDR, Inc. systems; (ii) any occurrence or circumstance which Reval SDR, Inc. determines to constitute an emergency in accordance with the rules of the Reval SDR, Inc. service; (iii) any occurrence or circumstance which threatens or may threaten such things as the proper functionality of Reval SDR, Inc. services; (iv) any physical emergency.

Procedures followed upon the exercise of emergency authority include; (i) notifying The CFTC as soon as reasonably practical, in accordance with the requirements of CFTC regulation 17 CFR Part 49; (ii) notification of Reval SDR, Inc. Board of Directors; (iii) notification of Reval SDR, Inc. clients effected by the invocation of emergency authority (iv) Reval SDR, Inc. will document the reason for exercising emergency authority, an explanation of how conflicts of interest were minimized and its decision making process for taking emergency action.

The CCO has authority to invoke emergency action. In the event that the CCO is unavailable, next in line with the authority to invoke emergency actions is the CEO followed by the President. The executive officers of Reval SDR, Inc. are authorized and empowered to take all necessary actions, including invocation of emergency authority, in the ongoing management of the business. Please refer to Appendix C for Reval SDR, Inc.'s by-laws.

Conflicts of interest provisions for any decisions made pursuant to emergency authority can be found in Appendix D.

Procedures for terminating the emergency action and Reval SDR, Inc.'s use of emergency authority include a thorough review by the CCO of the circumstances for invoking emergency authority, consultation with internal departments rectifying issues that led to emergency action and sign off that all issues have been resolved in order to restore Reval SDR, Inc. to normal operations. The CCO will then inform the CFTC and clients affected by the emergency action that Reval SDR, Inc. has terminated the emergency action and returned to normal operations.

## 8.2 Business Continuity / Disaster Recovery Plan

Reval SDR, Inc. maintains a business continuity/disaster recovery plan in accordance with 17 CFR Part 49 whose goal is to enable timely recovery and resumption of its operations and resumption of its ongoing fulfillment of its duties and obligations as a swap data repository. The plan is periodically reviewed, updated, and tested to ensure that the backup resources are sufficient to ensure continued fulfillment of all duties of the SDR. Furthermore, the plan is reviewed to ensure that operations and the ongoing fulfillment of Reval SDR, Inc.'s duties and obligations may be resumed during the next business day following the disruption or sooner. Reval SDR, Inc. will notify Commission staff promptly of any activation of the business continuity-disaster recovery plan as specified in 17 CFR Part 49. The plan contains procedures for both general operations recovery and Data Center recovery.

## 8.3 Operations Disaster Recovery Plan

The plan specifies procedures to recover Reval SDR, Inc.'s critical systems needed to continue critical operations in the event of the loss of any or all of these systems. Critical systems include phones, internet, email, the SDR application (covered by the Data Center DR plan) and Production VPN for client support.

## 8.4 Data Center Disaster Recovery Plan

Reval SDR, Inc. will maintain a primary data center and also maintain a secondary data center for disaster recovery purposes in the event of a loss of the production and testing networks at the primary data center in accordance with best practices.

SAN based replication is in place between the two data centers. This allows for near real-time data synchronization intended to minimize the loss of data in the event of a DR activation.

A full database backup will also be performed daily. All database backups will be compressed. This information will be automatically transferred from the primary data center to the secondary data center over a secure VPN connection. In the event of a disaster that would cause a loss of access to Reval SDR, Inc.'s primary data center, Reval SDR, Inc. will first attempt to restore the replicated data. In the event this data was not accurate or restorable, Reval SDR, Inc. would then restore the full database backup at its secondary data center. Once restored and tested, authorized users can then access the application through the DR site URL.

Reval SDR, Inc. will maintain current versions of its corporate and web hosting sites in its DR data center. The production and DR sites will be updated at the same time and the DR web sites will always be available.

Please note that the hardware configuration of the secondary data center will be similar to the primary data center. Reval SDR, Inc. will test the data center disaster recovery process to make sure the backup data center is fully operational with the SDR application. This will ensure that the disaster recovery process is effective and efficient. It also will allow Reval SDR, Inc. to test the backup network to confirm that the application runs correctly and adequately.

Reval SDR, Inc. will periodically perform a partial restore and application testing. These tests may not be fully documented but will be used to confirm that the restore process is functioning correctly.

Reval SDR, Inc. will perform various application functionality tests on the secondary data center. This will be done by logging into the primary and the secondary data centers simultaneously and testing various different actions, processes and reports.

Reval SDR, Inc. will have an internal audit team which will monitor and audit the process conducted by the DR team. This includes the overall plan, recovery process followed by recovery test and review of the test results after successful completion of the DR Plan. On satisfactory results and the audit of the process, the audit team will submit to Senior Management for approval of the process and confirmation of the test results.

## 8.5 Backup Systems

Reval SDR, Inc. will maintain backup systems at the primary data center designed to prevent interruptions in the performance of any SDR function as a result of technical malfunctions or otherwise in the system itself, in any permitted input or output system connection, or as a result of any independent source. Reval SDR, Inc. will monitor activity on the production platform and the production application. Failures and usage patterns are detected and escalated to appropriate Reval SDR, Inc. staff. Reval SDR, Inc. will also monitor utilization levels to ensure that the production platform is correctly configured for the processing requirements. The goal of the Reval SDR, Inc. monitoring process goes beyond failure notification and aims to prevent downtime, performance issues and failures before they happen.

Redundant systems will be deployed to backup primary network systems. These include redundant firewalls, redundant switches, and redundant load balancers. VMware will be used to virtualize web, application, and management servers so that an isolated failure of physical server hardware does not affect the virtual servers. Memory and processing power will be distributed from the remaining physical servers among the virtual servers.

Web servers will be configured in a cluster using F5 Load Balancing System. The SDR application architecture will be stateless, which allows each request from the client to the web servers to be serviced by any web server in the cluster. F5 manages the pool of servers and directs traffic to the most available server.

Database servers will be configured in a cluster to provide automatic fail over in the event of a loss of a server. Databases will be replicated using RAID and remote data replication and accessed via a SAN, preventing system failure if a primary database becomes unavailable.

Power grid and internet backbone connections will be redundant. UPS and backup generators will be deployed to prevent power interruptions. Should these backup systems fail to prevent a prolonged disruption, operations will be moved to the secondary data center for disaster recovery purposes.

## **8.6 Interruptions**

Reval SDR, Inc.'s system is reviewed for interruptions bi-annually. Reval SDR, Inc. anticipates monthly maintenance windows, at which time SDR functions may be temporarily unavailable. Reval SDR, Inc. intends to publish a calendar of planned interruptions annually. Users will be notified as soon as possible in the event a change to the published schedule is required.

## **9) Core Principles and Additional Duties**

### **9.1 Core Principles**

#### **9.1.1 Anti-Trust Considerations**

Reval SDR, Inc. will not practice unfair methods of competition or create an unlawful monopoly, as prohibited under The Federal Trade Commission Act and The Sherman Act, respectively. Pursuant to 17 CFR Part 49 Reval SDR, Inc. will not take any action, or implement any rules, that would put unreasonable burden on trading or on the reporting of swaps. Reval SDR, Inc. will abide by the Anti-trust laws mentioned above and will provide services that are fair and that have open access and will enforce a consistent fee structure for all clients. In addition, the CCO will review this anti-trust requirement as part of the annual Core Principles compliance review.

#### **9.1.2 Governance Arrangements**

Reval SDR, Inc. has established transparent governance arrangements that support the objectives of the Federal Government. Reval SDR, Inc. will ensure that the data within the SDR is accurate and clear and that it is readily available to those who have been permitted access. The CCO will oversee these access privileges and practices, as well as, the accuracy of data, as part of the annual Core Principles compliance review.

Reval SDR, Inc. will provide summaries of significant decisions, in a detailed manner, so that the relevant authorities and the public would understand which SDR policies and procedures were affected, the rationale for such decisions, and the process for reaching such decisions, and how such policies and procedures were amended, or implicated. For Reval SDR, Inc.'s complete governance policies, please see Appendix B.

#### **9.1.3 Conflicts of Interest**

Reval SDR, Inc. has established, and will enforce, rules to minimize conflicts of interest in its decision-making process, and have established a process for resolving such conflicts of interest. Reval SDR, Inc.'s Conflict of Interest Policy is attached here in Appendix A.

## 9.2 Additional Duties

Reval SDR, Inc. will comply with the additional duties outlined in CFR 17 Part 49, in addition to meeting the Core Principles. Reval SDR, Inc. will maintain sufficient financial resources as required in order to meet its responsibilities and continue to comply with the core principles. Upon commencement as a SDR, Reval SDR, Inc. will also publish a disclosure document to market participants detailing the risks and costs associated with using the services of an SDR. Lastly, Reval SDR, Inc. will provide fair and open access, and maintain a fee structure that is equitable and non-discriminatory.

## 9.3 Policies for Compliance with Core Principles

### **9.3.1 Internal Control Environment**

Reval SDR, Inc. will maintain an internal control environment consisting of a series of objectives and controls that are established in support of the core principles. The following procedures are used to ensure the integrity of the control environment:

- **Board of Directors and Management Oversight** - Reval SDR, Inc.'s management and board of directors will meet on a periodic basis and are committed to providing the highest quality services to clients. The board of directors will provide oversight of the organization and management will provide hands-on guidance in the formation and monitoring of controls. Management will monitor the operations and solicit feedback to improve operations, strengthen compliance with regulatory requirements and evaluate the general effectiveness of the system of internal control. For information regarding Reval SDR, Inc.'s current board of director's composition, please Reval SDR, Inc.'s website, [www.revalsd.com](http://www.revalsd.com).
- **Assignment of Authority and Responsibility** - The control environment is greatly influenced by the extent to which individuals recognize that they will be held accountable. This will hold true at Reval SDR, Inc., all the way to the Chief Executive Officer, who has ultimate responsibility for all activities within an entity, including the internal control system. This includes assignment of authority and responsibility for operating activities and establishment of reporting relationships and authorization protocols. Reval SDR, Inc. will ensure that individuals and teams are encouraged to take initiative in addressing issues and solving problems.
- **Organizational Structure** - Reval SDR, Inc.'s organizational structure provides the framework for planning, executing, controlling, and monitoring activities to achieve enterprise-wide objectives. Significant aspects of establishing a relevant organizational structure include defining key areas of authority, responsibility, and establishing appropriate lines of reporting.

The organizational structure that supports the key operational processes around the processing of swap transactions utilizing Reval SDR, Inc. is described in the following organization list. Key operational areas and responsibilities are described below.

1. **Professional Services** – Providing timely implementation of Reval SDR, Inc. services for new and existing clients.
2. **Product Management** – Performing product planning, project management, business analysis, and quality assurance.

3. **Operations** – Monitoring the timely and accurate collection of swap data, responding to client inquiries, and performing quality assurance on new releases of the Reval SDR, Inc. application.
4. **Development** – Performing programming and other development activities to implement business specifications into the SDR.
5. **Network Management** – Monitoring and supporting the technical infrastructure, including its multiple data hosting facilities and internal network.
6. **Compliance** – Planning, monitoring, auditing, and remediating compliance with relevant regulations and Commission rulings.

### 9.3.2 Board Established Oversight and Governing Committees

Initially there will be two oversight and governing committees at Reval SDR, Inc.: the Audit Committee and the Compliance and Risk Committee. These committees will be established through a board resolution which will empower each committee, consistent with its respective charter, to provide advice and guidance to the board of directors, make decisions on policies and rules and the implementation thereof, review and consent on the required corporate and regulatory reporting and provide oversight to senior management with regards to Reval SDR, Inc., adequately fulfilling its core principles and duties under the 17 CFR Part 49 Rules.

1. Audit Committee - The Audit Committee will be responsible for, in addition to other related matters, the following:
  - In conjunction with Reval SDR, Inc.'s Finance Department and its external Auditor, the completion of all corporate financial and associated management reports and documents and the submission of such reports and documents to the board.
  - Provide oversight to all financial management aspects of Reval SDR, Inc.
  - Provide advice and guidance to the board of directors regarding the finances of Reval SDR, Inc. and any related matters that the board may deem necessary for the Audit Committee to undertake.
  - Review and oversee, on an on-going basis, that Reval SDR, Inc.'s compliance with the Regulatory Requirements and Rules as it relates to financial considerations in accordance with 17 CFR Part 49.
  - Provide to the Prudential Regulator, upon request, information of a financial nature.
2. Compliance and Risk Committee - The Compliance and Risk Committee will be responsible for, in addition to other related matters, the following:
  - In conjunction with Reval SDR, Inc.'s Compliance Department and its external Auditor, the completion of all corporate compliance and associated management reports and documents and the submission of such reports and documents to the board of directors and subsequently to the Prudential Regulator(s).
  - Provide oversight to all compliance aspects, Regulatory (notably 17 CFR Parts 43, 45 and 49 and the related Rules embodied in the CEA) and Internal, of Reval SDR, Inc.
  - Provide oversight to Reval SDR, Inc.'s business operations regarding operational risk and compliance with the corresponding internal risk management guidelines and policies.
  - Provide on-going review and reports to the board of directors regarding the Regulatory and Internal Compliance of Policies and Rules and any related matters that the board may deem necessary for the Compliance and Risk Committee to undertake.

- Along with the CCO, this committee will be the point of contact with the Prudential Regulators and External Auditors regarding and audits and requested related reports.

### **9.3.3 Support and Servicing**

Reval SDR Inc. will provide operational support and servicing regarding the SDR's core duties on a 24 hour basis per a six (6) day work week commensurate with the Rules per 17 CFR Part 49.

## **10) Acknowledgement of Acceptance of Reval SDR, Inc.'s Terms and Conditions**

*I hereby acknowledge that I have read and understand Reval SDR, Inc.'s Rulebook and agree to abide by it.*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Print)

\_\_\_\_\_  
Signature

## **Appendix A**

### **Reval SDR, Inc. Conflict of Interest Policy**

#### **INTRODUCTION**

Reval SDR, Inc. is a registered legal entity that has a special obligation to uphold the trust and interest of the public because of the very purpose of its existence, which is to support the objectives of the Federal Government pursuant to Section 21 (f) (2) of the Commodity Exchange Act (the “Act”) by reducing risk, increasing transparency and promoting market integrity within the financial system. As such, Reval SDR, Inc. is committed to avoiding any potential conflicts of interest or any appearance of conflicts of interest in its operations.

The purpose of this Conflict of Interest Policy (the “Policy”) is to establish and enforce rules to minimize conflicts of interest in the decision-making process of Reval SDR, Inc. and to establish a process for resolving such conflicts of interest. This policy will enable Reval SDR, Inc. stakeholders to have confidence in the integrity of Reval SDR, Inc.’s services, and to protect the integrity and reputation of its Directors, Management Committee Members and Employees.

It is the obligation of each Director, Management Committee Member and Employee to disclose actual or potential conflicts of interest. Such disclosure includes affiliations with any organization with which Reval SDR, Inc. does business, including any business in which the individual has a personal or financial interest.

This policy applies to the Directors, Management Committee Members and Employees of Reval SDR, Inc. It will be provided to and be signed by all upon joining Reval SDR, Inc. and upon any instituted changes in policy following review of the Chief Compliance Officer (“CCO”).

#### **CONFLICTS OF INTEREST DEFINED**

A conflict of interest exists when the business decisions or actions of a Director, Management Committee Member or Employee of Reval SDR, Inc. are compromised by the actual or potential benefits received from another source. A business or personal relationship may create a conflict of interest because it could impair the independent and sound judgement of a Director, Management Committee Member or Employee.

*Examples of Conflicts of Interest include, but are not limited to, the following:*

- Bribes, kickbacks, gratuities or excessive gifts that would be used to leverage influence over Reval SDR, Inc. or to benefit Reval SDR, Inc.
- Family and business members having a financial interest or control interest in a business that is a Reval SDR, Inc. vendor, contractor, or affiliate.

#### **PROCEDURES & GUIDELINES**

All Directors, Management Committee Members or Employees must disclose active or pending board memberships in every case as there is a potential that material conflicts of interest will arise from such relationships.

A Director, Management Committee Member or Employee of Reval SDR, Inc. should neither solicit nor accept gratuities, favors, or anything of monetary value from a current or potential affiliation that may influence the impartiality of decision-making. While some situations would make it impractical to refuse a gift, any such situation should be reviewed with the CCO.

## **DISCLOSURE**

Any conflict of interest, potential conflict of interest, or the appearance of a conflict of interest is to be reported to the CCO, Chairman of the Board, other governing body, or any senior officer of Reval SDR, Inc.

### *Board Action*

When a conflict of interest is relevant to a matter requiring action by the CCO and the Board of Directors or other governing body, the Director, Management Committee Member or Employee must disclose the existence of the conflict of interest and be given the opportunity to disclose all material facts to the CCO, board and members of committees considering the possible conflict of interest. After disclosure of all material facts, and after any discussion with the person, he/she shall recuse his/herself from the governing board or committee meeting. He/she shall not participate in the final deliberation or decision regarding the matter under consideration while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members and CCO shall decide if a conflict of interest exists.

### *Violations of the Conflicts of Interest Policy*

If the CCO, Board of Directors or other governing body has reasonable cause to believe a Director, Management Committee Member or Employee has failed to disclose actual or possible conflicts of interest, they shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the CCO and the Board of Directors or other governing body determines the Director, Management Committee Member or Employee has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

### *Record of Conflict*

The minutes of the governing board and all committees with board delegated powers shall contain the following:

1. The names of the persons who disclosed or otherwise were found to have an actual or possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present, and the CCO's and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement that presents a possible conflict of interest, the content of the discussion, including any alternatives to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Reval SDR, Inc.'s Conflict of Interest Policy shall be provided to all Directors, Management Committee Members or Employees, and any other persons holding positions of responsibility

and trust on behalf of Reval SDR, Inc. These individuals shall agree to abide by the Policy. They also shall disclose their affiliations with vendors and other organizations with which Reval SDR, Inc. does business when beginning their appointment or employment with Reval SDR, Inc. They also have an obligation to disclose any actual or potential conflicts of interest whenever situations arise throughout the year.

## Appendix B Governance

This document provides an overview of the Governance Structure and Arrangements for Reval SDR, Inc. that fully addresses the governance requirements under the Federal Regulations/Rules detailed in 17 CFR Part 49 (published September 1, 2011 and entered into the Federal Registry November 1, 2011) and the ability of the swap data repository (SDR) to meet its principal duties and responsibilities under these same Regulations/Rules.

The primary components of the governance structure and the corresponding arrangements are:

- The Corporate By-Laws and Resolutions
- Organization Structure and the requisite separations of reporting lines and Board/Committee independence
- Board Established Oversight and Governing Committees:
  - Audit
  - Compliance and Risk
- Board Established Governance Guidelines

### Organization Structure and the requisite separations of reporting lines and Board/Committee independence.

Reval SDR, Inc.'s organizational structure was designed to meet the intent of governance principles of minimizing conflict of interest and having the requisite independence of management embodied in the 17 CFR Part 49 and the Commodity Exchange Act (CEA). In addition to the Corporate By-Laws and Resolutions highlighted in (I) above and the Governing Committees detailed in (III) below, these governing principles are demonstrated in two primary areas: the composition of the board of directors and reporting lines of the Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Compliance Officer (CCO) and General Counsel (GC).

The board of directors, initially, will comprise five (5) members, three (3) of whom are Public Directors and two (2) members will be from Reval.com, Inc. which is under Reval Holdings, Inc., the parent of Reval SDR, Inc. Therefore, the board of directors will be controlled by a majority of outside members.

Regarding organizational reporting lines:

- The Chief Executive Officer reports to the board. The board is a body that is made up of a majority of Public Directors.
- The Chief Operating Officer has reporting lines to the CEO and the board. The COO is independent of any entities within the legal structure of Reval Holdings, Inc.

- The Chief Compliance Officer has reporting lines to the COO, the Compliance and Risk Committee and the board. This matrix of reporting ensures that the CCO will have the needed autonomy to perform the required responsibilities in a design that minimizes conflict of interest.
- The General Counsel reports to the CEO and is outside the reporting lines of the CCO as required in 17 CFR Part 49.

### Board Established Oversight and Governing Committees

Initially there will be two oversight and governing committees at Reval SDR, Inc.: the Audit Committee and the Compliance and Risk Committee.

These committees will be established through a board resolution which will empower each committee, consistent with its respective charter, to provide advice and guidance to the board of directors, make decisions on policies and rules and the implementation thereof, review and consent on the required corporate and regulatory reporting and provide oversight to senior management with regards to Reval SDR, Inc., adequately fulfilling its core principles and duties under the 17 CFR Part 49 Rules.

#### **Audit Committee**

The Audit Committee will be responsible for, in addition to other related matters, the following:

- In conjunction with Reval SDR, Inc.'s Finance Department and its external Auditor, the completion of all corporate financial and associated management reports and documents and the submission of such reports and documents to the board
- Provide oversight to all financial management aspects of Reval SDR, Inc.
- Provide advice and guidance to the board of directors regarding the finances of Reval SDR, Inc. and any related matters that the board may deem necessary for the Audit Committee to undertake
- Review and oversee, on an on-going basis, that Reval SDR, Inc.'s compliance with the Regulatory Requirements and Rules as it relates to financial considerations in accordance with 17 CFR Part 49
- Provide to the Prudential Regulator, upon request, information of a financial nature

#### **Compliance and Risk Committee**

The Compliance and Risk Committee will be responsible for, in addition to other related matters, the following:

- In conjunction with Reval SDR, Inc.'s Compliance Department and its external Auditor, the completion of all corporate compliance and associated management reports and documents and the submission of such reports and documents to the board of directors and subsequently to the Prudential Regulator(s).

- Provide oversight to all compliance aspects, Regulatory (notably 17 CFR Parts 43, 45 and 49 and the related Rules embodied in the CEA) and Internal, of Reval SDR, Inc.
- Provide oversight to Reval SDR, Inc.'s business operations regarding operational risk and compliance with the corresponding internal risk management guidelines and policies.
- Provide on-going review and reports to the board of directors regarding the Regulatory and Internal Compliance of Policies and Rules and any related matters that the board may deem necessary for the Compliance and Risk Committee to undertake.
- Along with the Chief Compliance Officer, this committee will be the point of contact with the Prudential Regulators and External Auditors regarding and audits and requested related reports.

## **Reval SDR, Inc. CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors (the "**Board**") of Reval SDR, Inc. (the "**Company**") has established the following guidelines ("**Governance Guidelines**") for the conduct and operation of the Board.

### **BOARD COMPOSITION AND SELECTION**

- **Size of the Board:** The number of directors shall be established by the Board in accordance with the by-laws of the Company. At all times while the corporation is registered as a swap data repository with the Commodity Futures Trading Commission (the "**CFTC**"), the majority of the directors shall be "Public Directors" as defined in the regulations of the Commodity Futures Trading Commission ("**CFTC Regulations**") adopted under the Commodity Exchange Act, as amended (the "**Act**"). The Board periodically reviews the appropriate size of the Board, which may vary to accommodate the availability of suitable candidates and the needs of the Company.
- **Selection of Directors:** The Board will be responsible for identifying, reviewing, evaluating and recommending candidates for election to the Board, in accordance with its charter and consistent with the criteria set by the Board in Section 1.3 below. The Board is also responsible for filling vacancies on that may occur between annual meetings of stockholders.
- **Board Membership Criteria:** The Board will determine the appropriate characteristics, skills and experience for the Board as a whole and for its individual members. In selecting candidates and existing directors for service on the Board, the minimum general criteria set forth below will be considered; specific additional criteria may be added with respect to specific searches. An acceptable candidate may not fully satisfy all of the criteria, but is expected to satisfy nearly all of them. The Board believes that candidates for director should have certain minimum qualifications, including being able to read and understand basic financial statements, being over 21 years of age and having the highest personal integrity and ethics. No director may have a statutory disqualification under Section 8a(2) of the Act or have a history of disciplinary

offenses as defined in CFTC Regulation 1.63(a)(6). In considering candidates, the Board intends to consider such factors as possessing relevant expertise upon which to be able to offer advice and guidance to management, having sufficient time to devote to the affairs of the Company, demonstrated excellence in his or her field, having the ability to exercise sound business judgment and having the commitment to rigorously represent the long-term interests of the Company's stockholders. Candidates for director nominees are reviewed in the context of the current composition of the Board, the operating requirements of the Company and the long-term interests of stockholders. In conducting this assessment, the Board considers diversity, age, skills, and other such factors as it deems appropriate, given the current needs of the Board and the Company, to maintain a balance of knowledge, experience and capability. In the case of incumbent directors whose terms of office are set to expire, the Board reviews such directors' overall service to the Company during their term, including the number of meetings attended, level of participation, quality of performance, and any other relationships and transactions that might impair such directors' independence.

- **Changes in Board Member Criteria:** The Board and the Company wish to maintain a Board composed of members who can productively contribute to the success of the Company. From time to time, the Board may change the criteria for Board membership to maximize the opportunity to achieve this success. When this occurs, existing members will be evaluated according to the new criteria. A director who no longer meets the complete criteria for board membership may be asked to adjust his or her committee assignments or resign from the Board.
- **Term Limits:** The Board does not believe it should limit the number of terms for which an individual may serve as a director. Directors who have served on the Board for an extended period of time are able to provide continuity and valuable insight into the Company, its operations and prospects based on their experience with, and understanding of, the Company's history, policies and objectives. The Board believes that, as an alternative to term limits, it can ensure that it continues to evolve and adopt new ideas and viewpoints through the director nomination process described in these Governance Guidelines.
- **Limits on Board Memberships:** The Board does not believe that its members should be prohibited from serving on boards or committees of other companies, and the Board has not adopted any guidelines limiting such activities. Directors should advise the Chairman in advance of accepting an invitation to serve on the Board or board committee of another company. The Board will take into account the nature and time involved in a directors' service on other boards in evaluating the suitability of directors. Service on boards and board committees of other companies should be consistent with the Company's conflict-of-interest policies.

- **Retirement Age:** The Board does not believe that a fixed retirement age for Directors is appropriate.
- **Directors Who Change Their Job Responsibility:** A Director who retires from his or her present employment or who materially changes his or her position should promptly notify the Board. The Board does not believe any Director who retires from his or her present employment, or who materially changes his or her position, should necessarily leave the Board; however, there should be an opportunity for the Board to review the continued appropriateness of Board membership under these circumstances.

## **ROLE OF THE BOARD OF DIRECTORS**

- The Board is selected by the stockholders to provide oversight of, and strategic guidance to, senior management. The core responsibility of a Board member is to fulfill his or her fiduciary duties of care and loyalty and otherwise to exercise his or her business judgment in the best interests of the Company and its stockholders. Service on the Board requires significant time and attention on the part of Directors. More specifically, the Board has responsibilities to review, approve and monitor fundamental financial and business strategies and major corporate actions, assess major risks facing the Company and consider ways to address those risks, select and oversee management and determine its composition and oversee the establishment and maintenance of processes and conditions to maintain the integrity of the Company. Directors must participate in Board meetings, review relevant materials, serve on committees and prepare for meetings and discussions with management. Directors are expected to maintain an attitude of constructive involvement and oversight; they are expected to ask relevant, incisive and probing questions and require honest and accurate answers. Directors must act with integrity and are expected to demonstrate a commitment to the company, its values and its business and to long-term stockholder value.

## **BOARD MEETINGS**

- **Attendance:** Board members are expected to attend all meetings of the Board and committees on which they serve. Directors must notify the Chairman of circumstances preventing attendance at a meeting.
- **Preparation and Commitment:** The Company will provide directors with appropriate preparatory materials in advance of a meeting, but in any event not later than three days prior to the meeting, except in unusual circumstances. Directors are expected to rigorously prepare for, attend, and participate in all Board and committee meetings. Each director is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as director.
- **Agenda:** The Chairman will establish a schedule of subjects to be discussed during the year (to the extent this can be foreseen) and an agenda for each Board meeting. Each Board member is encouraged to suggest the inclusion of items on the agenda at any

time. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

- **Committee Reports:** At each regular Board meeting, each committee that held a meeting subsequent to the last Board meeting and prior to the current Board meeting will present a brief summary of its committee meeting to the Board, including the principal subjects discussed and the conclusions and actions of the committee. In general, the Chairman of the appropriate committee will present such report.

#### **BOARD COMMITTEES**

- **Number of Committees; Independence of Members:** The Board may form, merge or dissolve committees as it deems appropriate from time to time. At least one of the members on each committee established by the Board from time to time shall be a Public Director.
- **Committee Functions:** As permitted by the Company's By-laws, any such committee, to the extent provided in a resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company.
- **Committee Charters:** All standing committees will operate pursuant to a written charter, which sets forth the responsibilities of the committee and procedures that the committee will follow. Unless otherwise directed by the Board, new committees formed by the Board will develop a written charter delineating its responsibilities. The charters of all committees will be subject to periodic review and assessment by each committee and each committee shall recommend any proposed charter changes to the Board.
- **Committee Meetings and Agenda:** The committee Chairman, in consultation with committee members, will determine the frequency and length of the meetings of the committee, consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda.

#### **BOARD ACCESS TO MANAGEMENT USE OF OUTSIDE ADVISORS**

- Board members have complete and open access to the Company's management. It is assumed that Board members will use judgment to ensure that this contact is not distracting to the operations of the Company or to the managers' duties and responsibilities and that such contact, to the extent reasonably practical or appropriate, will be coordinated with the Chief Executive Officer. Written communications to management should, whenever appropriate, be copied to the Chief Executive Officer.

The Board and each committee shall have the power to hire at the expense of the Company, independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

**REVIEW OF GOVERNANCE GUIDELINES**

- The Board will review and assess the adequacy of these Governance Guidelines at least annually.

## **Appendix C By-Laws**

### **BY-LAWS OF REVAL SDR, INC.**

**(A Delaware Corporation)**

#### **REGISTERED OFFICE AND REGISTERED AGENT**

Offices. The corporation shall have and continuously maintain in the State of Delaware a registered office that may be, but not need be, the same as one of its places of business, and a registered agent, which agent may be either an individual resident in the State of Delaware, or a domestic corporation, or a foreign corporation, authorized to transact business in the State of Delaware.

Addresses. The registered office of the corporation is to be located at 2711 Centerville Road, Suite 400 in the City of Wilmington, in the State of Delaware 19808. The name of its registered agent at that address is Corporation Service Company. The registered office and the registered agent may be changed from time to time by the Board of Directors of the corporation (the "Board").

#### **MEETINGS OF STOCKHOLDERS**

Annual Meetings. The annual meeting of stockholders shall be held at such place, either within or without the State of Delaware, as shall be designated by a resolution of the Board of Directors and stated in the notice of the meeting. Meetings of stockholders for any other purpose may be held at such time and place, within or without the State of Delaware, as shall be designated by a resolution of the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Special Meetings. Special meetings of the stockholders may be called at any time by the Board of Directors (the "Chairman"), by a majority of the Board of Directors, or at the request in writing of the holders of record of a majority of the capital stock outstanding and entitled to vote, and such special meetings shall be called by the Secretary.

Proxies. Each stockholder entitled to vote shall, at every meeting of the stockholders, be entitled in person or by proxy signed by him to one vote for each share of voting stock, such proxy to be valid for three years from its date, unless it provides, for a longer period. Such right to vote shall be subject to the right of the Board of Directors to fix a record date for determining stockholders entitled to vote, as hereinafter provided, and if the directors shall not have exercised such right, the record date for determining stockholders entitled to notice of or to vote at a meeting of the stockholders, or for any other purpose, shall be the date prescribed by the laws of the Delaware General Corporation Law then in effect (the "DGCL").

Notice. Notice of all meetings shall be mailed by the Secretary to each stockholder of record entitled to vote, at his or her last known post office address, no more than sixty days and no less than ten days prior to the date of the meeting, except where a longer or shorter period of notice is required by the DGCL.

Required Vote. Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken for or in connection with any corporate action, the meeting and vote of stockholders may be dispensed with if holders of a majority of the outstanding stock who would have been entitled to vote upon the action if such a meeting were held shall consent in writing to such corporate action being taken.

Quorum. The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present or represented and any business may be transacted which might have been transacted at the meeting as originally notified. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Record Date. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of the stockholders or any adjournment thereof, or to express consent to any corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any changes, conversion or exchange of stock or for any other lawful purpose, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting; more than ten days after the date of adoption of the Board resolution for actions by written consent; or more than sixty days prior to any other action. In no event shall the record date precede the date of adoption of the applicable Board resolution. A determination of stockholders shall apply to any adjournment of the meeting; provided, however, the Board of Directors may fix a new record date for the adjourned meeting.

Stockholders of Record. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, to vote as the owner of such shares and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the DGCL.

## **DIRECTORS**

Duties and Powers; Number. The property and business of the corporation shall be managed and controlled by its Board of Directors, which shall consist of no less than one (1) director and no more than eight (8) directors, such number to be set from time to time by resolution of the Board. At all times while the corporation is registered as a swap data repository with the Commodity Futures Trading Commission, the majority of directors shall be "Public Directors" as defined by the Commodity Exchange Act, as amended. The directors need not be stockholders. "Majority vote" shall mean in the case of meetings of the directors, an affirmative vote of a majority of the directors present and voting, provided that a quorum is present.

Election of Directors; Term. The directors, following the initial Board of Directors, shall be elected at the annual meeting of the stockholders, except as provided in this Article, and each director elected shall hold office until his or her successor is elected and qualified.

Vacancies. Subject to the rights of the holders of any class or series of stock having a preference over the common stock of the corporation, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority vote of the directors, or if not so filled, by a majority vote of the stockholders, and a director so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced.

Election of Officers. After each annual election of directors, the newly elected directors may meet for the purpose of organization, the election of officers, and the transaction of other business, at such time and place as shall be fixed by the stockholders at the annual meeting, and, if a majority of the directors shall be present at such time and place, no prior notice of such meeting need be given to the directors.

Regular Meetings. The directors may meet regularly on such date and at such time as shall be designated from time to time by the Board. No notice of these meetings shall be required.

Special Meetings. Special meetings of the directors may be called, by the Chairman or by a majority of the directors then in office on one (1) day's notice to each director, or such shorter period of time before the meeting as well nonetheless be sufficient for the convenient assembly of the directors so notified.

Manner and Place of Meetings. Meetings may be held at such place within or without the State of Delaware as shall be fixed by the Board. Members of the Board of Directors, or any committee designated by the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participate in a meeting pursuant to this subsection shall constitute presence in person at the meeting.

Quorum., Vote. A majority of the Public Director members of the Board of Directors shall constitute a quorum, but a smaller number may adjourn from time to time, without further notice, until a quorum is secured. At all meetings of the Board of Directors, each director is to have one vote.

Action Without Meeting. Any acquired required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing and the writings or writings are filed with the minutes of the proceedings of the Board or committee.

Removal. Subject to the rights of the holders of any class or series of stock, any one or more of the directors may be removed either with or without cause, at any time by a vote of the stockholders holding two-thirds (2/3) of the Company's voting capital stock at any special meeting called for that purpose or by vote of a two-thirds (2/3) of the directors.

Committees. The Board of Directors may designate one or more committees, such as an executive committee, by resolution or resolutions passed by majority vote of the Board. Such committee or committees shall consist of one or more directors of the corporation and, to the extent provided in the resolution or resolutions designating them, shall have and may exercise specific powers of the Board of Directors in the management of the business and affairs of the corporation to the extent permitted by statute. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Such committee or committees shall not, in any event, have any power or authority

to amend the corporation's Certificate of Incorporation, adopt an agreement of merger or consolidation, recommend to the stockholders a dissolution of the corporation or a revocation of a dissolution or to amend these By-laws. Furthermore, no committee or committees shall have the power or authority to declare a dividend, authorize the issuance of stock or adopt a certificate of ownership and merger pursuant to Section 253 of the DGCL.

**3.12 Transparency; Director Restrictions.** The corporation's governance arrangements of the corporation are transparent to support, among other things, the objectives of the Federal Government pursuant to Section 21(f)(2) of the Commodity Exchange Act, as amended. No director may be subject to a statutory disqualification under Section 8a(2) of the Commodity Exchange Act, as amended, or have a history of disciplinary offenses as defined in Commodity Future Trading Commission Regulation 1.61(a)(6).

## **OFFICERS OF THE CORPORATION**

**Titles.** The officers of the corporation shall be one or two (2) Presidents, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as may from time to time be chosen by the Board. One person may hold the offices of President or Vice President and the additional offices of Secretary and/or Treasurer. A Chairman of the Board of Directors ("the Chairman") may also be elected by the Board and a person holding the office of Chairman may hold the additional offices of President or Vice President, Secretary and/or Treasurer.

**Term.** The officers of the corporation shall hold office until their successors are chosen and qualify in their stead. Any officer chosen or appointed by the Board of Directors may be removed either with or without cause at any time by majority vote of the Board. If the office of any officer or officers becomes vacant for any reason, the vacancy shall be filled by majority vote of the Board of Directors.

**Chairman of the Board.** The Chairman of the Board, if any, shall preside over all meetings of the stockholders and Board of Directors, and shall have such other duties as may be assigned to him from time to time by the Board of Directors. If there is no Chief Executive Officer elected and serving, then the Chairman of the Board shall also serve as the Chief Executive Officer of the corporation and shall have the powers and duties prescribed in Section 4.4.

**Chief Executive Officer.** The Chief Executive Officer shall preside over all meetings of the stockholders and Board of Directors, if a Chairman of the Board of Directors has not been appointed or is not present. The Chief Executive Officer shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The Chief Executive Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

**President.** The President shall have general and active management of the business of the corporation; to see that all orders and resolutions of the Board of Directors are carried into effect; to execute all contracts, agreements, deeds, bonds, mortgages, and other obligations and instruments, for the corporation, in the name of the corporation, and to affix the corporate seal thereto when so authorized by the Board of Directors. If no officer has been appointed Chief Executive Officer of the corporation, the President shall have the general supervision and direction of all the other officers of the corporation and shall see that their duties are properly performed. The President shall perform such duties commonly incident to the office and shall

also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer (if a Chief Executive Officer has been appointed) shall designate from time to time.

Vice President(s). The Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated, or in the absence of any designation by the Board of Directors, then in the order of their election) shall be vested with all the powers to perform all the duties of the President in his, her or their absence or disability and shall perform all the duties of the President in his, her or their absence or disability and shall perform such other duties as may be prescribed by the Board of Directors or the Chief Executive Officer (if a Chief Executive Officer has been appointed) from time to time.

President Pro Tem. In the absence or disability of the Chief Executive Officer, President and all of the Vice Presidents, the Board of Directors may appoint from their own a President Pro Tem. Secretary. The Secretary, shall attend all meetings of the Board of Directors and all meetings of the stockholders and record all the proceedings of such meetings of the corporation and of the Board of Directors in a book to be kept for that purpose and shall perform like duties, for the executive committee and for any standing committees, if any, when required. He or she shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President, under whose supervision he or she shall act. He or she shall have custody of the corporation's seal and he or she, or an Assistant Secretary, shall have authority to affix the seal to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his or her signature.

Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the Secretary, or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name of and to the credit of the corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors taking proper vouchers for such disbursements, and shall render to the President, Chief Executive Officer and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his or her transactions as Treasurer and of the financial condition of the corporation. The Treasurer shall keep an account of stock registered and transferred in such manner and subject to such regulations as the Board of Directors may prescribe. The Treasurer shall give the corporation a bond, if required by the Board of Directors for the faithful performance of the duties of his or her office and the restoration to the corporation, in case of his or her death, resignation or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession, belonging to the corporation. He or she shall also perform such other duties as the Board of Directors, Chief

Executive Officer (if a Chief Executive Officer has been appointed), or the President may from time to time prescribe or require.

Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or if there be no such determination then in the order of their election), in the absence of the Treasurer or in the event of his or her inability or refusal to act, shall perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors, Chief Executive Officer (if a Chief Executive Officer has been appointed), or President may from time to time prescribe or require.

Chief Compliance Officer. The Compliance Officer shall perform the duties set forth for chief compliance officers in the Commodity Exchange Act, as amended and in the Commodity Futures Trading Commission's (the "Commission") regulations adopted from time to time, and shall perform such other duties and have such other powers as the Board of Directors, Chief Executive Officer (if a Chief Executive Officer has been appointed), or President may from time to time prescribe or require. Without limiting the foregoing, the Chief Compliance Officer shall oversee and reviewing compliance with the Commodity Exchange Act and Commission regulations, in consultation with the Board, resolve any conflicts of interest that may arise, and establish and administer a written code of ethics and policies and procedures designed to prevent violations of the Commodity Exchange Act and Commission regulations.

Delegation of Duties of Officers. In the case of the absence or disability of any officer of the corporation, the Board of Directors may delegate the powers or duties of any such officer to any other officer or to any director of the corporation on a temporary basis.

Officer Restrictions. No officer may be subject to a statutory disqualification under Section 8a(2) of the Commodity Exchange Act, as amended, or have a history of disciplinary offenses as defined in Commodity Future Trading Commission Regulation 1.61(a)(6).

## **STOCK**

Stock Certificates. Every holder of stock in the corporation shall be entitled to have a certificate signed by, or in the name of, the corporation, by the President(s) or a Vice President and by the Treasurer and/or the Secretary, certifying the number of shares owned by him or her in the corporation.

Replacement of Stock Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an Affidavit of the fact by the person claiming the certificate being lost, stolen or destroyed as the Board may deem satisfactory. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or his or her legal representative, to advertise the same in such manner as it shall require and/or to give the corporation a satisfactory bond of indemnity in an amount sufficient to indemnify the corporation against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed. A new certificate may be issued without requiring bond when, in the judgment of the Board of Directors, it is proper to do so.

Transfers of Stock. Upon surrender to the corporation or to the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of

succession, assignment or authority to transfer the shares, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon the corporation's books.

Dividends. Dividends upon the capital stock of the corporation may be declared by the Board of Directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the corporation's capital stock at such rate as may be fixed by the Board of Directors consistent with any limitations found within the corporation's Certificate of Incorporation, By-laws or regulations established by the Commodity Futures Trading Commission.

Reserves for Payment of Dividends. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purposes as the directors shall think conducive to the interest of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

## **INDEMNIFICATION AND ADVANCEMENTS**

Indemnification. All directors, officers, employees or agents of the corporation or anyone serving as a director, officer, employee or agent of another corporation at the request of the corporation shall be indemnified by the corporation to the fullest extent and in the manner permitted by Section 145 of the DGCL.

Advances. Expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be advanced by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt from such person of the undertaking required by the DGCL.

## **GENERAL**

Notices. Whenever, under the provisions of the statutes or of these By-laws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, addressed to such director or stockholder, at his or her address as it appears on the records of the corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors may also be given by facsimile.

Waivers. Whenever any notice is required to be given under the provisions of the statutes or of these By-laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Contracts. In addition to, and specifically not in limitation of, such authority as may be granted to them under the DGCL, the Board of Directors may authorize any officer or officers or any agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

Books and Records. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its stockholders, Board of Directors, and

standing committees. The books, accounts and records of the corporation, except as otherwise required by the DGCL, may be kept within or without the State of Delaware, at such place or places as may from time to time be designated by resolution of the Board of Directors.

**AMENDMENTS**

These By-laws may be altered, amended, repealed or supplemented by majority of the Board of Directors, or by the affirmative vote of a majority of the stockholders.

## **Appendix D**

### **CODE OF BUSINESS CONDUCT AND ETHICS**

**REVAL SDR, INC.**

#### **CODE OF BUSINESS CONDUCT AND ETHICS**

##### **INTRODUCTION**

We are committed to maintaining the highest standards of business conduct and ethics. This Code of Business Conduct and Ethics (the “*Code*”) reflects the business practices and principles of behavior that support this commitment. We expect every employee, officer and director to read and understand the Code and its application to the performance of his or her business responsibilities. References in the Code to employees are intended to cover officers and, as specifically provided, directors in connection with their activities related to Reval SDR, Inc. (“*Reval SDR*” or the “*Company*”).

Officers, managers and other supervisors are expected to develop in employees a sense of commitment to the spirit, as well as the letter, of the Code. Supervisors are also expected to ensure that all agents and contractors conform to Code standards when working for or on behalf of Reval SDR. Nothing in the Code alters the at-will employment policy of Reval SDR, as permitted by applicable law.

The Code addresses conduct that is particularly important to proper dealings with the people and entities with which we interact, but reflects only a part of our commitment. From time to time we may adopt additional policies and procedures with which our employees, officers and directors are expected to comply, if applicable to them. However, it is the responsibility of each employee to apply common sense, together with his or her own highest personal ethical standards, in making business decisions where there is no stated guideline in the Code.

Action by members of your immediate family, significant others or other persons who live in your household (referred to in the Code as “family members”) also may potentially result in ethical issues to the extent that they involve Reval SDR business. For example, acceptance of inappropriate gifts by a family member from one of our suppliers could create a conflict of interest and result in a Code violation attributable to you. Consequently, in complying with the Code, you should consider not only your own conduct, but also that of your immediate family members, significant others and other persons who live in your household.

**YOU SHOULD NOT HESITATE TO ASK QUESTIONS ABOUT WHETHER ANY CONDUCT MAY VIOLATE THE CODE, VOICE CONCERNS OR CLARIFY GRAY AREAS. SECTION 15 BELOW DETAILS THE COMPLIANCE RESOURCES AVAILABLE TO YOU. IN ADDITION, YOU SHOULD BE ALERT TO POSSIBLE VIOLATIONS OF THE CODE BY OTHERS AND REPORT SUSPECTED VIOLATIONS, WITHOUT FEAR OF ANY FORM OF RETALIATION, AS FURTHER DESCRIBED IN SECTION 15.** Violations of the Code will not be tolerated. Any employee who violates the standards in the Code may be subject to disciplinary action, which, depending on the nature of the violation and the history of the employee, may range from a warning or reprimand to and including termination of employment and, in appropriate cases, civil legal action or referral for regulatory or criminal prosecution.

## 1. Honest and Ethical Conduct

It is the policy of Reval SDR to promote high standards of integrity by conducting our affairs in an honest and ethical manner. The integrity and reputation of Reval SDR depends on the honesty, fairness and integrity brought to the job by each person associated with us. Unyielding personal integrity is the foundation of corporate integrity.

## 2. Legal Compliance

Obedying the law is the foundation of this Code. Our success depends upon each employee and director's operating within legal guidelines and cooperating with local, national and international authorities. We expect employees to understand the legal and regulatory requirements applicable to their business units and areas of responsibility. While we do not expect you to memorize every detail of these laws, rules and regulations, we want you to be able to determine when to seek advice from others. If you do have a question in the area of legal compliance, it is important that you not hesitate to seek answers from your supervisor or the Compliance Officer.

Disregard of the law will not be tolerated. Violation of laws, rules and regulations of any country may subject an individual, as well as Reval SDR, to civil and/or criminal penalties. You should be aware that conduct and records, including emails, are subject to internal and external audits and to discovery by third parties in the event of a government investigation or civil litigation. It is in everyone's best interests to know and comply with our legal obligations.

## 3. Insider Trading

Employees who have access to confidential (or "inside") information are not permitted to use or share that information for stock trading purposes or for any other purpose except to conduct our business. All non-public information about Reval SDR or about companies with which we do business is considered confidential information. To use material non-public information in connection with buying or selling securities, including "tipping" others who might make an investment decision on the basis of this information, is not only unethical, it is illegal. Employees must exercise the utmost care when handling material inside information.

## 4. International Business Laws

Our employees are expected to comply with the applicable laws in all countries to which they travel, in which they operate and where we otherwise do business, including laws prohibiting bribery, corruption or the conduct of business with specified individuals, companies or countries. The fact that, in some countries, certain laws are not enforced or that violation of those laws is not subject to public criticism will not be accepted as an excuse for noncompliance. In addition, we expect employees to comply with U.S. laws, rules and regulations governing the conduct of business by its citizens and corporations outside the U.S.

These U.S. laws, rules and regulations, which extend to all our activities outside the U.S., include:

- The Foreign Corrupt Practices Act, which prohibits directly or indirectly giving anything of value to a government official to obtain or retain business or favorable treatment and requires the maintenance of accurate books of account, with all company transactions being properly recorded;

- U.S. Embargoes, which generally prohibit U.S. companies, their subsidiaries and their employees from doing business with countries, or traveling to, subject to sanctions imposed by the U.S. government (currently, Cuba, Iran, North Korea, Sudan and Syria), as well as specific companies and individuals identified on lists published by the U.S. Treasury Department;
- U.S. Export Controls, which restrict exports from the U.S. and re-exports from other countries of goods, software and technology to many countries, and prohibits transfers of U.S.-origin items to denied persons and entities; and
- Antiboycott Regulations, which prohibit U.S. companies from taking any action that has the effect of furthering or supporting a restrictive trade practice or boycott imposed by a foreign country against a country friendly to the U.S. or against any U.S. person.

If you have a question as to whether an activity is restricted or prohibited, seek assistance before taking any action, including giving any verbal assurances that might be regulated by international laws.

## 5. Antitrust

Antitrust laws are designed to protect the competitive process. These laws are based on the premise that the public interest is best served by vigorous competition and will suffer from illegal agreements or collusion among competitors. Antitrust laws generally prohibit:

- agreements, formal or informal, with competitors that harm competition or customers, including price fixing and allocations of customers, territories or contracts;
- agreements, formal or informal, that establish or fix the price at which a customer may resell a product; and
- the acquisition or maintenance of a monopoly or attempted monopoly through anti-competitive conduct.

Certain kinds of information, such as pricing, production and inventory, should not be exchanged with competitors, regardless of how innocent or casual the exchange may be and regardless of the setting, whether business or social.

Antitrust laws impose severe penalties for certain types of violations, including criminal penalties and potential fines and damages of millions of dollars, which may be tripled under certain circumstances. Understanding the requirements of antitrust and unfair competition laws of the various jurisdictions where we do business can be difficult, and you are urged to seek assistance from your supervisor or the Compliance Officer whenever you have a question relating to these laws.

## 6. Environmental Compliance

It is our policy to conduct our business in an environmentally responsible way that minimizes environmental impacts. We are committed to minimizing and, if practical, eliminating

the use of any substance or material that may cause environmental damage, reducing waste generation and disposing of all waste through safe and responsible methods, minimizing environmental risks by employing safe technologies and operating procedures, and being prepared to respond appropriately to accidents and emergencies.

## 7. Conflicts of Interest

We respect the rights of our employees to manage their personal affairs and investments and do not wish to impinge on their personal lives. At the same time, employees should avoid conflicts of interest that occur when their personal interests may interfere with the performance of their duties or the best interests of Reval SDR. A conflicting personal interest could result from an expectation of personal gain now or in the future or from a need to satisfy a prior or concurrent personal obligation. We expect our employees to be free from influences that conflict with the best interests of Reval SDR or might deprive Reval SDR of their undivided loyalty in business dealings. Whether or not a conflict of interest exists or will exist can be unclear. Conflicts of interest are prohibited unless specifically authorized as described below.

If you have any questions about a potential conflict or if you become aware of an actual or potential conflict, and you are not an officer or director of Reval SDR, you should discuss the matter with your supervisor or the Compliance Officer (as further described in Section 15). If the supervisor is involved in the potential or actual conflict, you should discuss the matter directly with the Compliance Officer.

Although no list can include every possible situation in which a conflict of interest could arise, the following are examples of situations that may, depending on the facts and circumstances, involve problematic conflicts of interests for employees:

- **Employment by (including consulting for) or service on the board of a competitor, customer or supplier or other service provider.** Activity that enhances or supports the position of a competitor to the detriment of Reval SDR is prohibited, including employment by or service on the board of a competitor. Employment by or service on the board of a customer or supplier or other service provider is generally discouraged and you must seek authorization in advance if you plan to take such a position.
- **Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business or competes with us.** In addition to the factors described above, persons evaluating ownership in other entities for conflicts of interest will consider the size and nature of the investment; the nature of the relationship between the other entity and Reval SDR; the employee's access to confidential information and the employee's ability to influence Reval SDR decisions. If you would like to acquire a financial interest of that kind, you must seek approval in advance.
- **Soliciting or accepting gifts, favors, loans or preferential treatment from any person or entity that does business or seeks to do business with us.** See Section 11 for further discussion of the issues involved in this type of conflict.

- **Soliciting contributions to any charity or for any political candidate from any person or entity that does business or seeks to do business with us.**
- **Taking personal advantage of corporate opportunities.** See Section 8 for further discussion of the issues involved in this type of conflict.
- **Moonlighting without permission.**
- **Conducting our business transactions with your family member or a business in which you have a significant financial interest.** Material related-party transactions approved by the Audit Committee and involving any executive officer or director will be publicly disclosed as required by applicable laws and regulations.
- **Exercising supervisory or other authority on behalf of Reval SDR over a co-worker who is also a family member.** The employee's supervisor and/or the Compliance Officer will consult with the Human Resources department to assess the advisability of reassignment.

Loans to, or guarantees of obligations of, employees or their family members by Reval SDR could constitute an improper personal benefit to the recipients of these loans or guarantees, depending on the facts and circumstances. Some loans are expressly prohibited by law and applicable law requires that our Board of Directors approve all loans and guarantees to employees. As a result, all loans and guarantees by Reval SDR must be approved in advance by the Board of Directors or the Audit Committee

#### 8. Corporate Opportunities

You may not take personal advantage of opportunities for Reval SDR that are presented to you or discovered by you as a result of your position with us or through your use of corporate property or information, unless authorized by your supervisor, the Compliance Officer or the Compliance and Risk Committee, as described in Section 7. Even opportunities that are acquired privately by you may be questionable if they are related to our existing or proposed lines of business. Significant participation in an investment or outside business opportunity that is directly related to our lines of business must be pre-approved. You may not use your position with us or corporate property or information for improper personal gain, nor should you compete with us in any way.

#### 9. Maintenance of Corporate Books, Records, Documents and Accounts; Financial Integrity; Public Reporting

The integrity of our records and public disclosure depends upon the validity, accuracy and completeness of the information supporting the entries to our books of account. Therefore, our corporate and business records should be completed accurately and honestly. The making of false or misleading entries, whether they relate to financial results or test results, is strictly prohibited. Our records serve as a basis for managing our business and are important in meeting our obligations to customers, suppliers, creditors, employees and others with whom we do business. As a result, it is important that our books, records and accounts accurately and fairly reflect, in reasonable detail, our assets, liabilities, revenues, costs and expenses, as well as all transactions and changes in assets and liabilities. We require that:

- no entry be made in our books and records that intentionally hides or disguises the nature of any transaction or of any of our liabilities or misclassifies any transactions as to accounts or accounting periods;
- transactions be supported by appropriate documentation;
- the terms of sales and other commercial transactions be reflected accurately in the documentation for those transactions and all such documentation be reflected accurately in our books and records;
- employees comply with our system of internal controls; and
- no cash or other assets are maintained for any purpose in any unrecorded or “off-the-books” fund.

Our accounting records are also relied upon to produce reports for our management, stockholders and creditors, as well as for governmental agencies. In particular, we rely upon our accounting and other business and corporate records in preparing the financial reports that we may file with the Commodity Futures Trading Commission (“CFTC”) and/or other United States regulatory agencies. Accounting standards and applicable United States laws require that these financial reports provide full, fair, accurate, timely and understandable disclosure and fairly present our financial condition and results of operations. Employees who collect, provide or analyze information for or otherwise contribute in any way in preparing or verifying these reports should strive to ensure that our financial disclosure is accurate and transparent and that our reports contain all of the information about Reval SDR that would be important to enable stockholders and potential investors to assess the soundness and risks of our business and finances and the quality and integrity of our accounting and disclosures. In addition:

- no employee may take or authorize any action that would intentionally cause our financial records or financial disclosure to fail to comply with generally accepted accounting principles, the rules and regulations of the CFTC or other applicable laws, rules and regulations;
- all employees must cooperate fully with our financial department, as well as our independent public accountants and counsel, respond to their questions with candor and provide them with complete and accurate information to help ensure that our books and records, as well as our financial reports filed with the CFTC and/or other United States regulatory agencies, are accurate and complete; and
- no employee should knowingly make (or cause or encourage any other person to make) any false or misleading statement in any of our reports filed with the CFTC and/or other United States regulatory agencies or knowingly omit (or cause or encourage any other person to omit) any information necessary to make the disclosure in any of our reports accurate in all material respects.

Any employee who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly to a supervisor, the Compliance Officer,

the Compliance and Risk Committee, or one of the other compliance resources described in Section 15.

#### 10. Fair Dealing

We strive to outperform our competition fairly and honestly. Advantages over our competitors are to be obtained through superior performance of our products and services, not through unethical or illegal business practices. Acquiring proprietary information from others through improper means, possessing trade secret information that was improperly obtained, or inducing improper disclosure of confidential information from past or present employees of other companies is prohibited, even if motivated by an intention to advance our interests. If information is obtained by mistake that may constitute a trade secret or other confidential information of another business, or if you have any questions about the legality of proposed information gathering, you must consult your supervisor or the Compliance Officer, as further described in Section 15.

You are expected to deal fairly with our customers, suppliers, employees and anyone else with whom you have contact in the course of performing your job. Be aware that the Federal Trade Commission Act provides that “unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are declared unlawful.” It is a violation of the Act to engage in deceptive, unfair or unethical practices and to make misrepresentations in connection with sales activities.

Employees involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service and reputation, and not on the receipt of special favors.

#### 11. Gifts and Entertainment

Business gifts and entertainment are meant to create goodwill and sound working relationships and not to gain improper advantage with customers or facilitate approvals from government officials. The exchange, as a normal business courtesy, of meals or entertainment (such as tickets to a game or the theatre or a round of golf) is a common and acceptable practice as long as it is not extravagant. Unless express permission is received from a supervisor, the Compliance Officer or the Compliance and Risk Committee, gifts and entertainment cannot be offered, provided or accepted by any employee unless consistent with customary business practices and not (a) of more than U.S. \$100.00 in monetary value, (b) in cash, (c) susceptible of being construed as a bribe or kickback, (d) made or received on a regular or frequent basis or (e) in violation of any laws. This principle applies to our transactions everywhere in the world, even where the practice is widely considered “a way of doing business.” Employees should not accept gifts or entertainment that may reasonably be deemed to affect their judgment or actions in the performance of their duties. Our customers, suppliers and the public at large should know that our employees’ judgment is not for sale.

Under some statutes, such as the U.S. Foreign Corrupt Practices Act (further described in Section 4), giving anything of value to a government official to obtain or retain business or favorable treatment is a criminal act subject to prosecution and conviction. Discuss with your supervisor or the Compliance Officer any proposed entertainment or gifts if you are uncertain about their appropriateness.

## 12. Protection and Proper Use of Company Assets

All employees are expected to protect our assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Our property, such as office supplies, computer equipment, buildings and products, are expected to be used only for legitimate business purposes, although incidental personal use may be permitted. You may not, however, use our corporate name, any brand name or trademark owned or associated with Reval SDR or any letterhead stationery for any personal purpose.

You may not, while acting on behalf of Reval SDR or while using our computing or communications equipment or facilities, either:

- access the internal computer system (also known as “hacking”) or other resource of another entity without express written authorization from the entity responsible for operating that resource; or
- commit any unlawful or illegal act, including harassment, libel, fraud, sending of unsolicited bulk email (also known as “spam”) in violation of applicable law, trafficking in contraband of any kind or espionage.

If you receive authorization to access another entity’s internal computer system or other resource, you must make a permanent record of that authorization so that it may be retrieved for future reference, and you may not exceed the scope of that authorization.

Unsolicited bulk email is regulated by law in a number of jurisdictions. If you intend to send unsolicited bulk email to persons outside of Reval SDR, either while acting on our behalf or using our computing or communications equipment or facilities, you should contact your supervisor or the Compliance Officer for approval.

Any misuse or suspected misuse of our assets must be immediately reported to your supervisor or the Compliance Officer.

## 13. Confidentiality

One of our most important assets is our confidential information. As an employee of Reval SDR, you may learn of information about Reval SDR that is confidential and proprietary. You also may learn of information before that information is released to the general public. Employees who have received or have access to confidential information should take care to keep this information confidential. Confidential information includes non-public information that might be of use to competitors or harmful to Reval SDR or its customers if disclosed, such as business, research and product plans, products, services, customer lists and customers, financial information, product architecture, software source codes, developments, inventions, processes, formulas, technology, designs, drawings, engineering, marketing, distribution and sales methods and systems, sales and profit figures, personnel data, personally identifiable information pertaining to our employees, customers or other individuals, and similar types of information provided to us by our customers, suppliers and partners. This information may be protected by patent, trademark, copyright and trade secret laws.

In addition, because we interact with other companies and organizations, there may be times when you learn confidential information about other companies before that information has been made available to the public. You must treat this information in the same manner as you are

required to treat our confidential and proprietary information. There may even be times when you must treat as confidential the fact that we have an interest in, or are involved with, another company.

You are expected to keep confidential and proprietary information confidential unless and until that information is released to the public through approved channels (usually through a press release, a CFTC filing or a formal communication from a member of senior management). Every employee has a duty to refrain from disclosing to any person confidential or proprietary information about us or any other company learned in the course of employment here, until that information is disclosed to the public through approved channels. This policy requires you to refrain from discussing confidential or proprietary information with outsiders and even with other Reval SDR employees, unless those fellow employees have a legitimate need to know the information in order to perform their job duties. Consistent with this policy, our directors, executive officers and other employees are prohibited from serving on “expert advisory boards” or serving in similar capacities for investment funds and similar organizations. Unauthorized use or distribution of this information could also be illegal and result in civil liability and/or criminal penalties.

You should also take care not to inadvertently disclose confidential information. Materials that contain confidential information, such as memos, notebooks, computer disks, mobile devices, memory sticks and laptop computers, should be stored securely. Unauthorized posting or discussion of any information concerning our business, information or prospects on the Internet is prohibited. You may not discuss our business, information or prospects in any “chat room,” regardless of whether you use your own name or a pseudonym. Be cautious when discussing sensitive information in public places like elevators, airports, restaurants and “quasi-public” areas within Reval SDR, such as cafeterias. All Reval SDR emails, voicemails and other communications are presumed confidential and should not be forwarded or otherwise disseminated outside of Reval SDR, except where required for legitimate business purposes.

In addition to the above responsibilities, if you are handling information protected by any privacy policy published by us, then you must handle that information in accordance with the applicable policy.

#### 14. Waivers

Any waiver of this Code for executive officers (including, where required by applicable laws, our principal executive officer, principal financial officer, principal accounting officer or controller (or persons performing similar functions)) or directors may be authorized only by our Board of Directors and will be disclosed to stockholders as required by applicable laws, rules and regulations

#### 15. Compliance Standards and Procedures

##### ***Compliance Resources***

To facilitate compliance with this Code, we have implemented a program of Code awareness, training and review. We have established the position of Compliance Officer to oversee this program. The Compliance Officer is a person to whom you can address any questions or concerns. The Compliance Officer is available to field questions and concerns with respect to potential violations of this Code. In addition, the Compliance Officer is responsible for:

- investigating possible violations of the Code;
- training new employees in Code policies;
- conducting annual training sessions to refresh employees' familiarity with the Code;
- distributing copies of the Code annually via email to each employee with a reminder that each employee is responsible for reading, understanding and complying with the Code;
- updating the Code as needed and alerting employees to any updates, with appropriate approval of the Board of Directors, to reflect changes in the law, Reval SDR operations and in recognized best practices, and to reflect Reval SDR experience; and
- otherwise promoting an atmosphere of responsible and ethical conduct.

Your most immediate resource for any matter related to the Code is your supervisor. He or she may have the information you need or may be able to refer the question to another appropriate source. There may, however, be times when you prefer not to go to your supervisor. In these instances, you should feel free to discuss your concern with the Compliance Officer. A dedicated email address for the Compliance Officer at [CCO@revalcdr.com](mailto:CCO@revalcdr.com) is available to those who wish to seek guidance on specific situations or report violations of the Code, or to ask questions about Reval SDR's policy. If you are uncomfortable contacting the Compliance Officer because he or she works in your department or is one of your supervisors, please contact our Secretary. If you are concerned that officers of Reval SDR may have a conflict of interest with respect to a violation of the Code, you should report that violation to the Chief Compliance Officer or the Compliance and Risk Committee.

If you prefer to leave an anonymous message for the Compliance Officer, you may do so by telephone at (212) 901-9700, although the Compliance Officer will be unable to obtain follow-up details from you that may be necessary to investigate the matter. Whether you identify yourself or remain anonymous, your telephonic contact will be kept strictly confidential to the extent reasonably possible within the objectives of the Code.

### ***Clarifying Questions and Concerns; Reporting Possible Violations***

If you encounter a situation or are considering a course of action and its appropriateness is unclear, discuss the matter promptly with your supervisor or the Compliance Officer; even the appearance of impropriety can be very damaging and should be avoided.

If you are aware of a suspected or actual violation of Code standards by others, you have a responsibility to report it. You are expected to promptly provide a compliance resource with a specific description of the violation that you believe has occurred, including any information you have about the persons involved and the time of the violation. Whether you choose to speak with your supervisor or the Compliance Officer, you should do so without fear of any form of retaliation. We will take prompt disciplinary action against any employee who retaliates against you, including termination of employment.

Supervisors must promptly report any complaints or observations of Code violations to the Compliance Officer. If you believe your supervisor has not taken appropriate action, you should contact the Compliance Officer directly. The Compliance Officer will investigate all reported possible Code violations promptly and with the highest degree of confidentiality that is possible under the specific circumstances. Neither you nor your supervisor may conduct any preliminary investigation, unless authorized to do so by the Compliance Officer. Your cooperation in the investigation will be expected. As needed, the Compliance Officer will consult with the legal department, the Human Resources department and/or the appropriate committee of the Board of Directors. It is our policy to employ a fair process by which to determine violations of the Code.

With respect to any complaints or observations of violations that may involve accounting, internal accounting controls and auditing concerns, the Compliance Officer shall promptly inform the Audit Committee and the Audit Committee shall be responsible for supervising and overseeing the inquiry and any investigation that is undertaken.

If any investigation indicates that a violation of the Code has probably occurred, we will take such action as we believe to be appropriate under the circumstances. If we determine that an employee is responsible for a Code violation, he or she will be subject to disciplinary action up to, and including, termination of employment and, in appropriate cases, civil action or referral for criminal prosecution. Appropriate action may also be taken to deter any future Code violations.

#### 16. Dispute Resolution

For violations that would not result in any disciplinary actions, these would be resolved at the lowest level in the shortest time frame. This will allow all involved to work together to solve disputes through information sharing and open communication. If for any reason the participants involved cannot resolve the dispute, then Human Resources and Senior Management to determine if the dispute had any merit. If no merit was decided, the issue would be dropped. If there is deemed to be merit, then it would go under further review to be resolved between all participants involved, Human Resources and Senior Management.

For all violations in dispute that would results in disciplinary actions, these violations would be handled directly by Human Resources and Senior Management. An investigation would be conducted immediately and a decision made if the dispute had any merit. If no merit was decided, the issue will be dropped. If there is deemed to be merit, then it would go under further review and resolution. In extreme cases, the matter may be escalated by Human Resources to the necessary external parties. False, malicious complaints of prohibited discrimination, as opposed to complaints that, even if erroneous, are made in good faith, will be the subject of appropriate corrective action.

#### 17. POTENTIAL DISCIPLINARY ACTION

Any person found to have violated any of the rules in this policy will be subjected to disciplinary action. Disciplinary action will be taken when company policies, procedures, or work rules, are violated. Such actions may include but are not limited to, verbal warnings, written reprimands, suspension, demotion, or eventual dismissal. Some actions may be considered so unacceptable that immediate discharge would follow. Disciplinary action will depend in part on the nature of the violation and on the employee's work record.

## **Appendix E**

### **Policies and Procedures regarding Reval SDR's calculation of positions**

#### **Overview**

Reval SDR, Inc. will be storing creation and continuation data for its respective clients; therefore, it will also have the ability to calculate positions in real time on a net or gross basis. Reval SDR, Inc.'s comprehensive service will utilize data provided by the various reporting entities that subscribe to Interest rate, Commodity and Foreign Exchange SDR services. Reports offering daily updates on positions will be available at any time during the day as clients submit creation data. Clients and/or regulators will have the ability to run these reports on a 24/7 basis. Access to the reporting suite will be restricted for clients and managed by their designated administrators for individual accounts. Regulators will have broader access rights as appropriate. Positions will be reported based on trade date of the submitted trade.

#### **Calculation of Positions**

Reval SDR, Inc. will provide trade position reports in a variety of different formats, as required by clients and regulators. Positions are defined as notional amounts or units of a trade and can be calculated on a gross and net basis and further sorted based on different attributes of the trade.

At a minimum, the SDR will be able to use the attributes recorded as primary economic data (PET) as defined in 17 CFR Part 45, from the reporting entity, in its calculation of positions. For example, the following is a sample list of just a few data fields by which the SDR will provide gross or net position reporting:

- Underlying instrument ("contract type")
- Index ("floating rate index name")
- currency ("Currency 1 and Currency 2")
- Counterparty (reporting counterparty, trade counterparty)
- Asset class defined by the SDR's Unique Product Identifier. Once the Commission finalizes its product identifiers, these will also be included.
- Long risk (swap payer of fixed, purchaser of currency or payer of commodity index)
- Short risk (swap receiver of fixed, seller of currency or receiver of commodity index)

#### **Position Reports**

As stated previously, position reports will be available to run at any time and at the end of each day for any given date. Although the SDR will have standard position reports defined, it will also allow clients and/or regulators the ability to select how they would like to view the positions. This additional flexibility will be possible through the use of filters in the reporting process. Filters will allow the user to run position reports at least on a minimum, based on the data fields mentioned above. Although reporting entities and counterparties will be restricted to running position reports only on their respective portfolios, regulators will have more flexibility to filter position reports across all clients of the SDR, if they so choose.

By allowing access to these position reports, each entity will be able to confirm its positions with the SDR at the end of each day. In addition, it will also reconcile to its own records and report back to the SDR if it detects any discrepancy in the SDR position report. This will be especially important with respect to non-cleared swaps for which terms have not yet been confirmed by both counterparties. In addition to providing summary level position reports, clients and regulators will have the option to drill down to trade details for any category on the position report. This may help clients identify potential discrepancies, if the client is not in agreement with the position reported.

Reval SDR, Inc. will maintain, in accordance with the required record retention regulations, data surrounding a client's position.

#### **Data Privacy**

Position information, in addition to any trade data received from clients, will be maintained by Reval SDR, Inc. in compliance with its data privacy policy. Position reports will also be considered to be part of this confidential data and will be handled accordingly.

#### **Future Consideration**

Due to the flexibility of the SDR, clients and regulators will also be able to report net or gross on any creation or continuation data, as the Commission may prescribe in the future