

MEMORANDUM

TO: File
FROM: Matthew Carruth
RE: Conference call with Goldman Sachs
DATE: November 18, 2010

On November 18, 2010, Matthew Carruth, Matthew Reed, Walter Hamscher, Tiago Requeijo, and Tom Eady had a conference call with Irina Leonova and Greg Kuserk from CFTC and Pierre Lamy, Arvid Bessen, and Ashish Bhandari from Goldman Sachs.

We discussed the Dodd-Frank study on algorithmic descriptions for financial derivatives (Sec. 719b). Topics discussed included current industry practice for storing derivatives data and messaging that data to other parties, analyses that might be performed using the data, and the extent to which an electronically rendered version of a derivatives agreement might be binding on the counterparties.

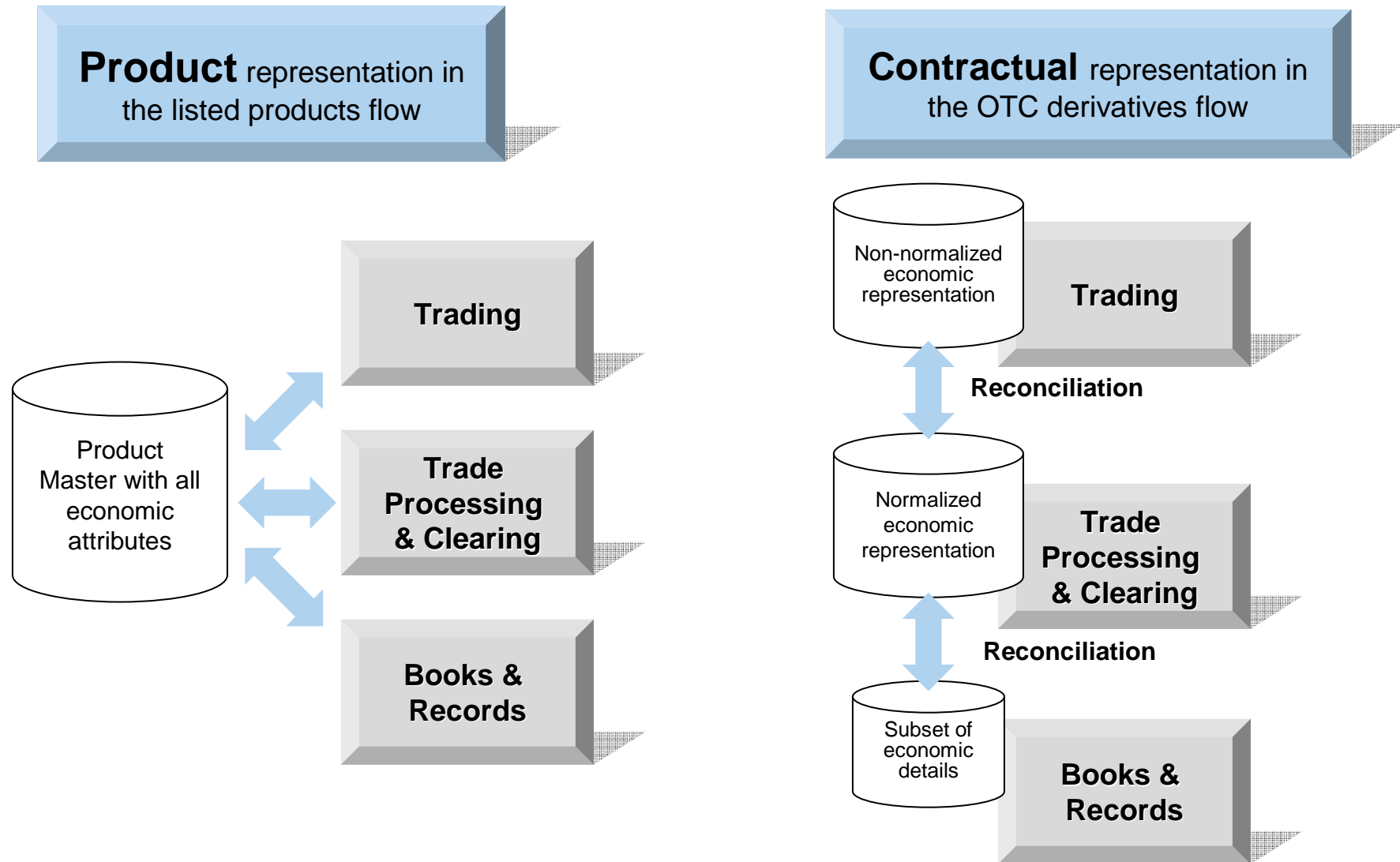
In response to some questions raised at the meeting, Pierre Lamy contacted Karel Engelen of ISDA and asked if he could distribute copies of an ISDA document illustrating how OTC derivatives could be represented. That 4 page document, entitled "Canonical Representation for Listed & Cleared OTC" is attached.



Canonical Representation for Listed & Cleared OTC

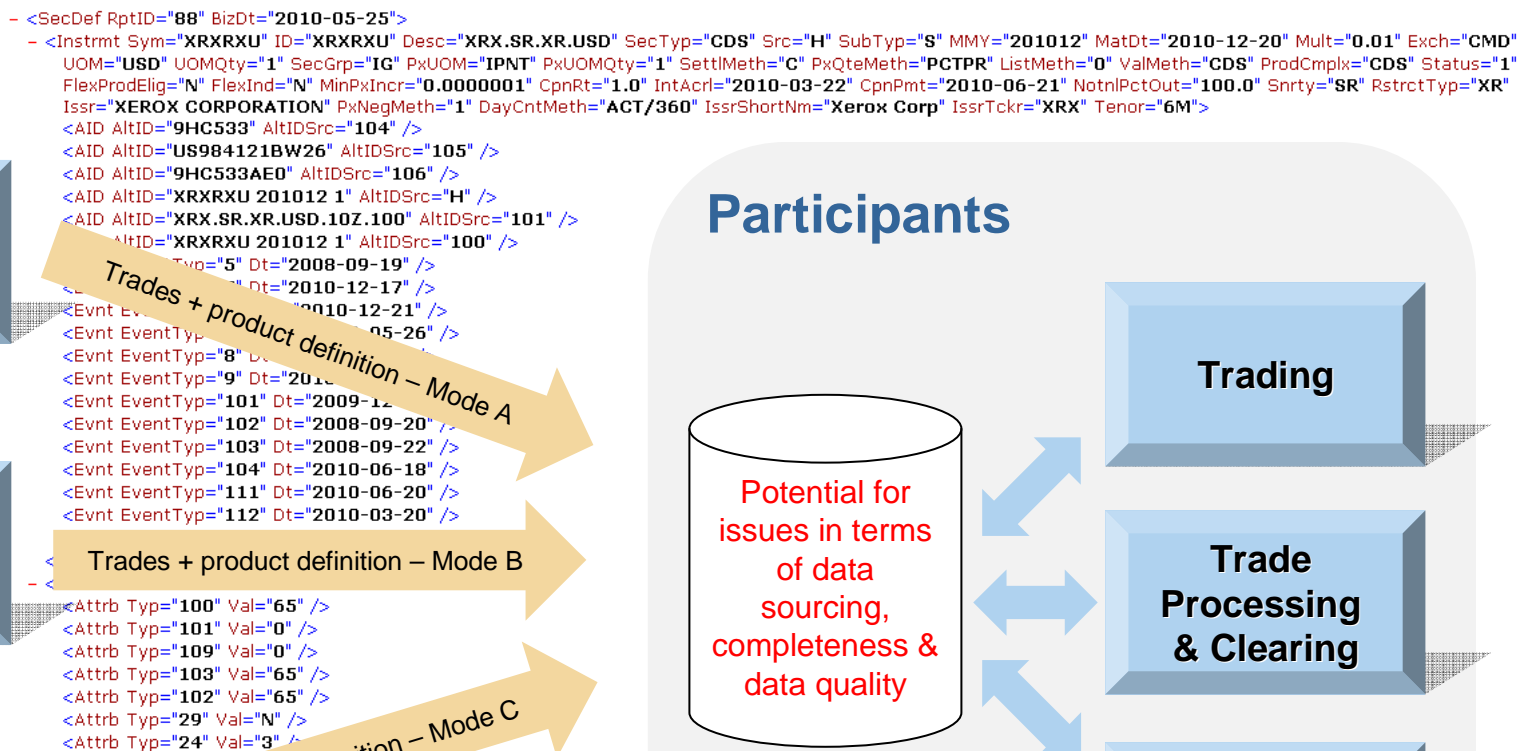
Canonical Representation for Listed & Cleared OTC

- The normalized feature of listed & cleared OTC products should allow participants to make use of a product representation



Canonical Representation for Listed & Cleared OTC

- While an effort has been made in using an industry protocol, there is room for improvement for normalizing the representation of derivatives traded and/ or cleared through marketplace utilities.



Clearing /
Execution
Facility A

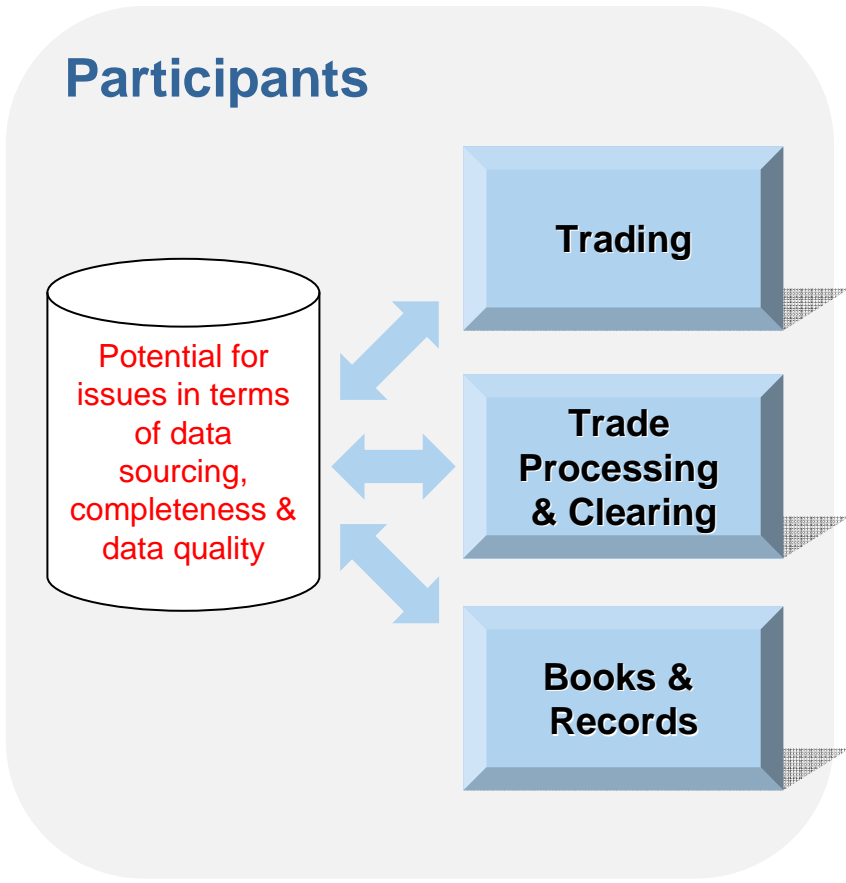
Clearing /
Execution
Facility B

Clearing /
Execution
Facility C

Trades + product definition – Mode A

Trades + product definition – Mode B

Trades + product definition – Mode C



Participants

Potential for issues in terms of data sourcing, completeness & data quality

Trading

Trade Processing & Clearing

Books & Records

Canonical Representation for Listed & Cleared OTC

- A potential way forward would be to have a normalized canonical representation of products eligible to trading and clearing, that would be developed in synergy with the OTC representation.

Industry Product Definition

