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Request for Proposals:

Commodity OTC Derivatives Trade Reporting Repository

Issue date: March 25, 2011

1. Purpose

This Request For Proposals (RFP) seeks proposals for the creation of a trade reporting repository that, ultimately, will record all Financial Commodity OTC Derivative trade types, that will meet all current and future regulations governing repositories[1] and provides a structure to rapidly report and provide timely access to information to applicable regulators.

The Commodity OTC Derivatives industry would like to record, in line with our proposed phased approach, all oil derivative financial trades in a centralized reporting repository within the timelines prescribed by the Dodd Frank Wall Street Reform and Consumer Protection Act and other applicable laws, but in no case later than a target date of 1 January 2012.

The RFP invites proposals from service providers on a proposed form of Trade Reporting Repository (TRR) which should seek to cover, at a minimum, the features described in Section 2 below.

Proposals need to be made, in writing, in accordance with this RFP and submitted to ISDA within four weeks of the RFP issuance and not later than Monday 25th April 2011 at 5pm New York time.

[1] Such as, for example, CTFC 17 CFR Part 49

2. Overview of services to be provided

This RFP covers responsibilities of a service provider to create a maximum of one global, centralized reporting repository for all commodities; or, if this is infeasible, to propose an alternate solution that would ensure that (a) trade repositories existed for all commodities, and (b) no more than one trade repository existed for a single commodity.

The intention of this RFP is not to pre-suppose any market infrastructure as this will evolve as part of the application, selection and development process.

The objectives of the Trade Reporting Repository (TRR) are:

- To create a record of all Financial Commodity OTC Derivative trade types that complies with current and future regulatory requirements.
- To provide a structure to report this information in line with such regulatory requirements.

2.1. Scope

2.1.1. Products

This RFP covers the proposal to record all financial[2] OTC derivative trades [3], with an initial focus (Phase 1) on OTC financial oil transactions, in a centralized reporting repository within the timelines prescribed by the Dodd Frank Wall Street Reform and Consumer Protection Act and other applicable laws, but in no case later than a target date of 1 January 2012. A phased approach is planned for the implementation of additional commodities thereafter.

This RFP covers the Trade Reporting Repository (TRR) for

- all Commodity OTC derivative trades; as well as
- Cleared OTC derivative trades

Where appropriate, use of the current definition of Commodity OTC Derivative trades used for the compilation of the monthly metrics[4] would ensure consistency with other industry information currently supplied.

In Scope:

- All external facing financial OTC derivative trades, including any exotic or structured Transactions
- "Cleared OTC" transactions.

[2] Service providers should indicate their capabilities to support physical transactions, in the event that the requirements change.
[3] The intention is for both cleared and uncleared trades to be submitted to the TRR. Individual firms will submit their uncleared transactions. CCPs and Exchanges will submit their OTC Cleared transactions into the TRR .
[4] The monthly metrics currently include energy, metal and other transactions such as softs, ags, weather, index, emissions, freight and coal.

Out of scope:

- External physical transactions not covered by the current proposed legislation.
- Internal trades (including trader to trader, inter-entity, intra-entity).
- Vanilla futures transactions[5]

2.1.2 Participants

The recording of OTC derivative trades in a TRR should be considered as an industry best practice. All counterparties are encouraged to submit their relevant transactions to the TRR in a timely fashion.

ISDA will facilitate the process of selecting the service provider and defining the terms of service, the principal contractual and financial relationships will be between the service provider and the participants. ISDA will not be a party to such principal contractual and financial relationship.

[5] Service providers should indicate their capability for including futures transactions should this come into scope or be required by regulation at some point in the future.

2.2. Functionality

2.2.1. Trade Reporting Repository (TRR) Functionality

- A single global repository which meets regulatory specifications[6].
- Ability to use sources of electronically matched data where available[7]. A potential source may include electronic trade confirmation matching/affirmation platforms (i.e., Markitwire, EFET.net, Misys, eConfirm and SWIFT – see sample chart below).
- Where sources of electronically matched data are not available or do not provide sufficient quality data, provide an upload facility of trade details with standardized economic and non-economic fields[8]. This should require limited or no systematic development / investment by participants utilizing electronic messaging infrastructure. Flexibility is critical, vendors should consider multiple methods for importing this information[9].
- Ability for all parties to submit their individual single-sided transactions[10].
- Ability to standardise reference data[11].
- Ability to upload and source data sets on a snap-shot basis.
- Ability to support in-scope lifecycle events[12].
- Ability to vary engagement with different sources and outputs over time as the repository develops and additional features and functionality are required by the industry.
- Ensure duplicate records are not created where multiple data sources have been used.
- To provide a structure to report the information
    - Reporting requirements currently are limited to transaction reporting, with frequency to be defined.
    - Reporting produced from the reporting repository should be flexible and timely, allowing for ad hoc data requests and for changes in content and functionality, as and when required by regulators or participants in the service. The ability to move from daily to intra-day reporting should be available.
    - Data held in the reporting repository should be made available to global regulators, as appropriate[13]
    - Data held in the reporting repository should be archived for an indefinite period

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[6] See attached 'Outline of Trade Repository Functionality Being Sought by Members of the OTC Derivatives Regulators' Forum'. Additionally, Section 721 of the Dodd-Frank Act amends Section 1a of the CEA to add the definition of SDR. Section 1a provides that the term ''swap data repository means any person that collects and maintains information or records with respect to transactions or positions in, or the terms and conditions of, swaps entered into by third parties for the purpose of providing a centralized recordkeeping facility for swaps.'' 7 U.S.C. 1a(48). See also CTFC 17 CFR Part 49 Swap Data Repositories

[7] The TRR should look to maximize the number of market participants contributing source data, whether directly or through an upstream data source, in all geographies.

[8] Initial preference for individual firm submissions of all data, but the TRR should be flexible enough to support multiple submissions from various venues (i.e. individual firms and electronic service providers). System architecture should be easy to use (i.e. based on no-installation, web-based technology, where users interact through standard web browsers). Data uploads and downloads should be performed securely through automated SFTP file transfers.

[9] Aim to support interconnectivity with other providers of clearing and settlement services for the products supported by the TRR.

[10] Transactions should reflect confirmable events, where possible.

10 Standardized reference data should leverage already existing data available in the other OTC Derivative Trade Repositories and placeholders for potential UCI, UPI and USIs should be incorporated (see: http://cftc.gov/ucm/groups/public/@newsroom/documents/file/sdrr_qa.pdf). Additionally, this should leverage the Commodity Portfolio Reconciliation Data Standardization (i.e. report remaining notional in Commodity Units). See separate attachment.[12]

Lifecycle events include but are not limited to terminations, novations, exercises, amendments, etc.

[12] Lifecycle events include but are not limited to terminations, novations, exercises, amendments, etc.

[13] TRR should have the capability to provide regulators with multiple means of obtaining data, including: a) verbal *ad hoc* requests; b) periodic reporting; and c) on-line facilities to perform independent, direct, *ad hoc* queries based on flexible criteria, subject to appropriate entitlements and permissioning.

- To provide controls[14] to ensure sensitive information is not disclosed to the public or other participants.
- Capable of generating both confidential and public views of data[15].
- Capable of representing counterparty transaction records as legal entities, enriched with further counterparty information such as affiliate relationships, sector and geography.
- To ensure operational reliability, in particular business continuity[16].
- The ability to mask client identities to the extent required by applicable law.

Commodities - Confirmations																																											
	Bullion				Energy																		Base Metals						Other													
Platform	Spot / Forwards	Options	Loans / Deposits	Interest Rate Swaps	Phys Crude Oil	Fin Oil	US Phys Gas	US Fin Gas	Cont. Fin Gas	US Phys Power	US Fin Power	UK Phys Gas	UK Fin Gas	UK Phys Power	UK Fin Power	Cont. Fin Power	Cont Phys Power	Cont Phys Gas	Phys Refined	NGLS	Aluminium	Copper	Lead	Nickel	Tin	Zinc	Agricultural Products	Freight (Wet & Dry)	Time Charter / Pulp Paper	Emissions	Phys Coal - NA	Phys Coal - All Other	Financial Coal									
Markit Wire	√	√	X	X	X	√	√	√	√	√	√	√	√	√	√	√	√	√	X	√	√	√	√	√	√	√	√	√	√	Q1 11	Q1 11	Q1 11	√								
EFET.net (eCM)	X	X	X	X	X	X	X	√	√	X	√	√	√	√	√	√	√	√	X	√	√	√	√	√	√	√	√	√	X	√	X	Q1 11	√								
Misys	√	√	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	√	√	√	√	√	√	X	X	X	X	X	X	X	X								
ICE eConfirm	√	√	X	X	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	X	X	X	X	X	X	√							
SWIFT	√	√	√	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	√	√	√	√	√	√	X	X	X	X	X	X	X	X								

Note: Trades that can be confirmed via a proprietary electronic system should also be included within the eligibility numbers

2.3. Solution Timing and Priorities

A key requirement for the solution is rapid implementation. The ability to roll out Phase 1 in a timely manner will be a key consideration in the evaluation. The service provider must present a plan that will allow for any necessary internal development and testing by participants and adoption of the service to be complete within the timelines prescribed by the Dodd Frank Wall Street Reform and Consumer Protection Act and other applicable laws, but in no case later than a target date of 1 January 2012. Submission of trade level details by participants needs to commence by no later than this date.

2.4. Governance

The primary governing body for implementation and development of the Trade Reporting Repository (TRR) will be the ISDA Commodities Steering Committee (COSC) and decisions made by this Committee will be subject to the OTC Derivatives Industry Governance rules. Additional committees may be added to the governance structure to implement, enhance or oversee the TRR, and these new

[14] The TRR should have high-quality system safeguards and controls regarding the transmission, handling and protection of data to ensure the accuracy, integrity and confidentiality of the trade information that is recorded. The data should be protected from loss, unauthorized access and other potential processing risks.

[15] Publishing various cuts of aggregate statistics that provide detail on both "stock" and "flow" data. Public reporting of aggregate data from the TRR should follow the standards for market transparency and data availability to the public set out in the CPSS IOSCO consultative report, "Considerations for trade repositories in OTC derivatives markets," (see: http://www.bis.org/publ/cpss90.pdf). The standards specify at minimum the public reporting of aggregate data on open positions and trading volumes should be made available on a periodic basis with geographical and currency breakdowns, as available.

[16] Robust business continuity plans that allow for the recovery of all data in a timely manner after a disruption

committees will be subject to the direction of the COSC.

The TRR should have a Governance committee that is independent of the TRR's board and empowered to make decisions in relation to the repository. Formal governance of the TRR to be discussed and developed in relation to the Service Provider's existing structure.

RFP Process

This section outlines the RFP process, describing how to respond to the RFP, and how the responses will be evaluated.

Firms should indicate their intention to participate in the RFP process to Nichole Framularo at ISDA, nframularo@isda.org, within one week of the RFP issuance and no later than Friday, April 1st at 5pm New York time.

3.1 Format of response

RFP responses must follow the format described in the RFP Response Template set forth at the end of this document.

The Response Template includes a detailed list of requirements that must be addressed. Each requirement should be addressed in a section whose number corresponds to the number in the Response Template. If additional sections are required, e.g. to provide more details, they must be added under the relevant subsection so as to preserve the numbering system.

3.2. Vendor Questions

Questions in respect of the RFP should be submitted in writing, including via email to Nichole Framularo at ISDA, nframularo@isda.org, copying Karen Cadigan, kcadigan@isda.org. ISDA will respond by email and subsequently publish answers on the ISDA Website under committees/operations/latest news. ISDA will host an open question and answer session the week of April 18th for all participants.

3.3. RFP Submission

Responses must be submitted in electronic form by April 25, 2011, at 5:00pm New York time to Nichole Framularo at ISDA, nframularo@isda.org, copying Karen Cadigan, kcadigan@isda.org

3.4. Evaluation

The process for the evaluation of responses will be facilitated by ISDA.

The RFP responses will be evaluated by a sub-group of the Commodity Steering Committee that consists of senior business people in the Commodity Derivative Market including both G14 and non-G14 members, and the co-chairs of the Commodity Implementation Group.

Based on selection criteria established by the Committee, a select group of respondents will be asked to present their proposal to the Committee. The respondents must be prepared to present their proposal to the committee in the form of a presentation with scheduling to be determined by the ISDA Commodities

Steering Committee during the week commencing May 2nd, 2011, or shortly thereafter. Presentations will be scheduled between noon and 5:00 PM London Time.

The decision on the selected service provider is expected within 2 weeks of completion of all the presentations.

3.5. Basis of the provider selection decision

The selection of the service provider will be binding and conclusive and will be made at the discretion of the Commodity Steering Committee.

Exhibit A: RFP Response Template

RFP Respondents must complete the template set forth on the following pages.

1. Executive Summary

Summarise key aspects of the service, such as:

- service provider
- functionality provided
- delivery schedule
- cost structure
- business arrangements

The Executive Summary should be limited to 1 page.

2. Service Provider Profile

This section provides information about the service provider's organization to assist in assessing its capabilities for addressing the Trade Reporting Repository (TRR) requirements.

2.1. Organizational and Financial Information

2.1.1. Legal Name, Ownership, Governance Structure, Domicile

Identify the legal entity that will be providing the services.
Define the legal entity's ownership structure, governance structure (if different) and declare all affiliates.
Define your views on optimal governance for the TRR.
Give details of relevant jurisdictions of incorporation etc.
State if the entity is regulated and if so under which regulatory regime

2.1.2. Years in operation / Years of experience with the Commodity asset class

List when established.

2.1.3. Employees

Provide information about the number, and positions of employees.

2.1.4. Clients

Provide information about the number and types of clients.

2.1.5. Financial Metrics

If publicly held, provide the latest available audited financial statements. If privately held, provide information about revenue and capitalization.

2.2. Key staff

Identify and provide a brief summary of skills and experience for the individuals filling the following positions:

- CEO/MD - overall business manager of the service provider organization that will lead the response.
- Other key executive management - where relevant, identify other key executives important to the response.
- Engagement manager - identify the person who will act as the overall manager of the relationship and of the engagement
- Operations lead - identify the individual who will be responsible for operating the repository and delivering client service.
- FpML lead – identify the individual who will be responsible for the FpML connectivity and architecture, if applicable (see 5.2.1 and 5.2.2).
- Other staff - if there are other specific individuals important to evaluating the RFP response, please identify them.

2.3. Experience and Skills

Summarize the organization's experience and skills in areas relevant to the RFP:

2.3.1. Commodity OTC Derivatives marketplace

Describe the organization's background in supporting the Commodity OTC Derivatives marketplace, including in particular services related to trade reporting repositories and reporting.

2.3.2 Inter-firm communications

Describe the organization's background in supporting communications about financial transaction between financial industry participants. In particular, identify services that have been provided and the number and types of clients for which these services have been provided.

2.3.3 Inter-firm electronic communications

Describe the organization's background in supporting the FpML® (Financial products Markup Language) in electronic communication and processing derivatives.

3. Proposed Service Overview

Provide a qualitative overview of the product to be provided, as an aid for evaluators in understanding the proposed solution.

3.1. High Level Architecture

Specify how the solution will be deployed globally across regions, and across different user communities. Describe the overall architecture, covering points such as:

- How will information be submitted to the Trade Reporting Repository (TRR);
- How will the product leverage existing electronic trade records;
- How will information be retrieved from the Trade Reporting Repository (TRR);
- See the attached Appendix for additional questions in relation to architecture points to be addressed
- How FpML will be used in the points above.

3.2. Description of Key Functionality

Summarize the functionality that will be delivered, with a view to aiding understandability. Please do not repeat the detailed information provided in subsequent sections. Instead, please discuss topics such as:

- how the supplied functionality relates to previous or current offerings
- particular strengths or differentiators of the offering

3.3. Phasing/Timing

Provide information on the timing of the solution.

Provide information on the timing of the solution. Plan should include detail on individual stages of the build out, including time for participant UAT and any other pre-go live activities. It should also include a production release deadline, to be set no later than 1 January 2012 deadline.

4. Functionality

Please describe how each of the requirements outlined in 2.2.1 Trade Reporting Repository (TRR) Functionality will be met.

4.1 Data Input and Retrieval

4.1.1. Retrieval of Information from sources

- How will the service provider retrieve trade detail from one or more of the sources described in Section 2.2.1. Trade Reporting Repository (TRR) Functionality?
- How will the service provider upload non electronically confirmed trade details in a manner that requires limited or no systematic development/investment by participants utilizing electronic messaging infrastructure?

4.1.2. Trade Population

- How will the service provider identify duplicate data reported for one transaction by multiple
  (i) dealers
  (ii) sources?

4.2. Reporting Data

Initial format and content of reporting will be agreed with regulators and communicated in due course. For below sections the focus should be on how the service provider intends to collate and provide access to information in the Trade Reporting Repository (TRR)

4.2.1. Trade-based Data

- How will the service provider report trade-based based data?

4.2.2. Regulatory Review and Market Data

Service provider needs to provide different levels of reporting to the supervisory community and the public.

- How will these two services be provided and how will they be segregated to ensure inappropriate information is not made available on the public side?

4.2.3. FpML Utilization

How FpML will be used in the points above.

- Will FpML be used for submission and retrieval of the trade data?
- Will FpML position report data format be used?

4.2.4 Other

- How will the service provide ensure flexible functionality of the reporting tool to allow for ad hoc data requests and for changes in content and functionality, as and when required by regulators or participants in the service?
- Demonstrate how you will make the reporting available.

4.3 Sensitive Information

4.3.1 Controls

- How will the service provider put in place the necessary controls to ensure confidentiality and that sensitive information is not disclosed to the public or other participants?
- How will the service provider validate and recertify requests for access to the system and data to ensure that they are appropriate for the user role?
- How would you handle providing different levels of access to different users?

5. Technology and Operations

5.1. Technical Architecture

5.1.1. Overall Description of Architecture

Briefly describe the overall technical architecture used by the service provider.

5.1.2. Client Technical Requirements

List the client user interface requirements (operating systems, browser versions, memory/cpu requirements, etc.), client technologies used (e.g. HTML, JavaScript, ActiveX, XML, etc.)

5.1.3. Data Submission Technology

Describe the technical requirements for clients to submit data to your service (operating system constraints, network requirements, middleware requirements, security requirements, software tools and versions, etc.)

5.1.4. Server Infrastructure.

Briefly describe the central server technology infrastructure (OS, hardware type, DBMS, application/web server technology, programming language(s), hosting/firewall architecture, use of clustering or high-availability features, etc.

Please include the metrics you will use to determine system speed and system availability. What Service Level Agreement (SLA) standards would you propose?

Will the system be hosted by you or another firm? What is the server infrastructure or desktop requirements of the users?

Please include any details of your Business Continuity Plan that would be applicable to the service

5.2. FpML Requirements

5.2.1. Scope

Describe the FpML message types and products that will be supported by the service provider. If the FpML messaging framework will not be used, please describe whether a proprietary messaging or another existing messaging standard will be used instead. Examples of current OTC commodity FpML schemas can be provided upon request.

5.2.2. Version Support

List the FpML versions or any other version of a messaging standard that will be supported by the service provider.

5.3. Capacity Requirements

5.3.1. Technology Limitations

Describe any technological or architecture considerations in connection with your approach that would prevent these requirements from being met.

5.3.2. Technology Platform and Scaling

Which technology platform (OS, DBMS, messaging middleware, application server, etc) will be used to meet the requirements set forth above? How will this platform be scaled if additional capacity is required?

5.3.3. Testing Methodology

How do you propose to test/demonstrate that the performance requirements can be met?

5.4. Connectivity

Describe connectivity technologies/options that will be provided, such as:

- FTP
- HTTP file upload/download
- Web services
- MQ messaging
- Proprietary connectivity technologies

For each supported connectivity option, please identify the supported software versions, operating systems, etc.

5.5. Security

5.5.1. Access Control

Describe the mechanisms that will be used to secure the following:

- Online user access to a GUI if provided
- Bulk/message data submission to the central server.
- Please describe in your response how Chinese Wall type controls would be supported to segregate types of information and ensure confidentiality

How will access be granted and revoked?

5.6. Data Retention

5.6.1. Longevity

Describe current data record retention standards used.

5.6.2. Retrieval Speed

Describe current access conditions if known.

5.7. Expandability

Describe how the internal technology architecture is arranged to facilitate functional requirements evolution. What types of changes are anticipated and how has the system been architected to simplify these kinds of changes? How will Change Requests be dealt with? Will costs in respect of these be capped?

5.8. Client/User Support

Describe the support mechanisms that will be provided, such as:

- User support team constitution and support hours.
- Minimum number of development hours post go-live.
- Support mechanisms that will be provided, e.g.
    - Telephone
    - Email
    - Chat or other web-based real-time support
    - Other
- Service level commitments
- Problem tracking processes and procedures
- Issue escalation levels and procedure.

6. Business Issues

6.1. Contractual and Regulatory Relationships

- Do you have any limitations in the types of entities that you can contract with and/or provide service to?
    - Industry organizations (ISDA)?
    - Major banks/dealers?
    - End users of derivatives?
        - Traditional asset managers?
        - Alternative investment managers
    - Industry non-profit utilities?
    - Industry for-profit utilities?
- Do you have any constraints in the number of entities that you can contract with?
- Do you have any specific obligations or restrictions regarding Regulators?
- To what extent will your solution rely upon inputs from 3rd party providers who are not responding to this RFP, and who will not be privy to the eventual contractual arrangements?
- Please detail any cross-equity or legal holdings you may have with any potential participants in the system.

6.2. Legal Framework

- What type of legal agreement/framework would you recommend using?
- Provide an example contract/agreement if possible. If different agreements would be used for different types of participants, please provide an example of each type.
- Describe what undertakings will be made in such agreements to ensure to the satisfaction of users of the service that that transaction data will only be capable of being accessed or used by employees of the Trade Reporting Repository (TRR) itself (as distinct from any parent company or affiliate), and that under no circumstances may any transaction data be sold to another party by either the service provider itself or any affiliate.

6.3. Liability and indemnity

- Provide proposed contractual indemnity provisions if any.
- Provide details of any software licensing requirements.
- Please provide details of any Business Continuity Planning for your proposed solution.
- Do you supply a SAS-70 or an equivalent?

6.4. Cost/Revenue Model

Provide indicative pricing for the service.

How would the service be paid for?

a) Would there be any one-time fixed charges per participating institution?
b) Would there be any recurring/periodic charges/subscription fees per institution?
c) Would there be any per-transaction service fees?

If there are several possible charging models that you can envisage, please list each possible model together with a recommendation or preferred approach. If you need to make additional assumptions to provide all inputs for your charging model (e.g. the number of messages required per transaction), please document those assumptions.

6.5. Time to deliver solution

ISDA requires service provider readiness in advance of 1 January 2012.
Provide details on your ability to be ready on the above date.