

SunGard VPM Inc.
Form S-4
May 31, 2013
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As filed with the Securities and Exchange Commission on May 31, 2013

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

SunGard Data Systems Inc.

(Exact name of registrant issuer as specified in its charter)

SEE TABLE OF ADDITIONAL REGISTRANTS

Delaware
(State or other jurisdiction)

7374
(Primary Standard Industrial

51-0267091
(I.R.S. Employer

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of incorporation)

Classification Code Number)

Identification Number)

680 East Swedesford Road

Wayne, Pennsylvania 19087

(484)-582-2000

(Address, including zip code, and telephone number, including area code, of registrants principal executive offices)

Victoria E. Silbey, Esq.

Senior Vice President Legal and Chief Legal Counsel

680 East Swedesford Road

Wayne, Pennsylvania 19087

(484)-582-2000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:

Richard A. Fenyas, Esq.

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, New York 10017-3954

Tel: (212) 455-2000

Approximate date of commencement of proposed offer: As soon as practicable after this Registration Statement is declared effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company). Smaller reporting company
 If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issues Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Note	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
6.625% Senior Subordinated Notes due 2019	\$1,000,000,000	100%	\$1,000,000,000	\$136,400
Guarantees of 6.625% Senior Subordinated Notes due 2019 ⁽²⁾	(3)	(3)	(3)	(3)

(1) Estimated solely for the purpose of calculating the registration fee under Rule 457(f) of the Securities Act of 1933, as amended (the Securities Act).

(2) See inside facing page for additional registrant guarantors.

(3) Pursuant to Rule 457(n) under the Securities Act, no separate filing fee is required for the guarantees.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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Exact Name of Registrant Guarantor as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number	Address, Including Zip Code and Telephone Number, Including Area Code, of Registrant Guarantor's Principal Executive Offices
Advanced Portfolio Technologies, Inc.	Delaware	22-3245876	340 Madison Avenue 8 th Floor New York, NY 10173
Automated Securities Clearance LLC	Delaware	22-3701255	545 Washington Blvd. 7 th Floor Jersey City, NJ 07310
GL Trade Overseas, Inc.	Delaware	06-1414402	340 Madison Avenue New York, NY 10173
Inflow LLC	Delaware	84-1439489	680 E. Swedesford Rd. Wayne, PA 19087
Online Securities Processing Inc.	Delaware	77-0589377	680 E. Swedesford Rd. Wayne, PA 19087
SIS Europe Holdings LLC	Delaware	41-1511643	680 E. Swedesford Rd. Wayne, PA 19087
SRS Development Inc.	Delaware	23-2746281	680 E. Swedesford Rd. Wayne, PA 19087
SunGard Ambit LLC	Delaware	04-2766162	100 High Street 19 th Floor Suffolk, MA 02110
SunGard Asia Pacific Inc.	Delaware	51-0370861	601 Walnut St. Suite 1010 Philadelphia, PA 19106
SunGard Availability Services LP	Pennsylvania	23-2106195	680 E. Swedesford Rd. Wayne, PA 19087

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SunGard Availability Services Ltd.	Delaware	23-3024711	680 E. Swedesford Rd. Wayne, PA 19087
SunGard AvantGard LLC	California	95-3440473	23975 Park Sorrento 4th Floor Calabasas, CA 91302
SunGard Business Systems LLC	Delaware	23-2139612	377 E. Butterfield Road Suite 800 Lombard, IL 60148
SunGard Computer Services LLC	Delaware	68-0499469	600 Laurel Road Voorhees, NJ 08043
SunGard Consulting Services LLC	Delaware	87-0727844	10375 Richmond Suite 700 Houston, TX 77042
SunGard CSA LLC	Delaware	20-4280640	680 E. Swedesford Rd. Wayne, PA 19087

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Exact Name of Registrant Guarantor as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number	Address, Including Zip Code and Telephone Number, Including Area Code, of Registrant Guarantor's Principal Executive Offices
SunGard Development Corporation	Delaware	23-2589002	680 E. Swedesford Rd. Wayne, PA 19087
SunGard DIS Inc.	Delaware	23-2829670	680 E. Swedesford Rd. Wayne, PA 19087
SunGard Energy Systems Inc.	Delaware	13-4081739	601 Walnut St. Suite 1010 Philadelphia, PA 19106
SunGard eProcess Intelligence LLC	Delaware	13-3217303	600 Lanidex Plaza Parsippany, NJ 07054
SunGard Financial Systems LLC	Delaware	23-2585361	3 Van de Graff Drive Burlington, MA 01803-5148
SunGard Investment Systems LLC	Delaware	23-2115509	377 E. Butterfield Road Suite 800 Lombard, IL 60148
SunGard Investment Ventures LLC	Delaware	51-0297001	680 E. Swedesford Road Wayne, PA 19087
SunGard iWORKS LLC	Delaware	23-2814630	11560 Great Oaks Way Suite 200 Alpharetta, GA 30022
SunGard iWORKS P&C (US) Inc.	Delaware	13-3248040	200 Business Park Dr. Armonk, NY 10504
SunGard Kiodex LLC	Delaware	13-4100480	59 Maiden Lane, 32nd Floor New York, NY 10038-4624
SunGard NetWork Solutions Inc.	Delaware	23-2981034	680 E. Swedesford Rd. Wayne, PA 19087
SunGard Public Sector Inc.	Florida	59-2133858	1000 Business Center Drive

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SunGard Reference Data Solutions LLC	Delaware	72-1571745	Lake Mary, FL 32746 340 Madison Avenue 8 th Floor
SunGard SAS Holdings Inc.	Delaware	26-0052190	New York, NY 10173 680 E. Swedesford Rd. Wayne, PA 19087
SunGard Securities Finance LLC	Delaware	13-3799258	14 Manor Parkway Salem, NH 03079
SunGard Securities Finance International LLC	Delaware	13-3809371	14 Manor Parkway Salem, NH 03079
SunGard Shareholder Systems LLC	Delaware	23-2025519	2300 Main Street Suite 400 Kansas City, MO 64108
SunGard Software, Inc.	Delaware	51-0287708	680 E. Swedesford Road Wayne, PA 19087

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Exact Name of Registrant Guarantor as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number	Address, Including Zip Code and Telephone Number, Including Area Code, of Registrant Guarantor's Principal Executive Offices
SunGard Systems International Inc.	Pennsylvania	23-2490902	340 Madison Avenue 8 th Floor New York, NY 10173
SunGard Technology Services LLC	Delaware	23-2579118	680 E. Swedesford Rd. Wayne, PA 19087
SunGard VeriCenter, Inc	Delaware	76-0624039	680 East Swedesford Rd. Wayne, PA 19087
SunGard VPM Inc.	New York	11-3159462	1660 Walt Whitman Rd. Suite 130 Melville, NY, 11747
SunGard Workflow Solutions LLC	Delaware	63-1019430	104 Inverness Place Suite 325 Birmingham, AL 35242

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MAY 31, 2013

PROSPECTUS

SunGard Data Systems Inc.

Offer to Exchange

\$1,000,000,000 principal amount of its 6.625% Senior Subordinated Notes due 2019, which have been registered under the Securities Act of 1933, for any and all of its outstanding 6.625% Senior Subordinated Notes due 2019.

We are conducting the exchange offer in order to provide you with an opportunity to exchange your unregistered notes for freely tradable notes that have been registered under the Securities Act.

The Exchange Offer

We will exchange all outstanding notes that are validly tendered and not validly withdrawn for an equal principal amount of exchange notes that are freely tradable.

You may withdraw tenders of outstanding notes at any time prior to the close of business, New York City time, on the last business day on which the exchange offer remains open.

The exchange offer expires at 12:00 a.m. midnight, New York City time, on _____, 2013, unless extended. We do not currently intend to extend the expiration date.

The exchange of outstanding notes for exchange notes in the exchange offer will not constitute a taxable event to holders for United States federal income tax purposes.

The terms of the exchange notes to be issued in the exchange offer are substantially identical to the outstanding notes, except that the exchange notes will be freely tradable.

Results of the Exchange Offer

The exchange notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of such methods. We do not plan to list the notes on a national market.

All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, we do not currently anticipate that we will register the outstanding notes under the Securities Act.

See Risk Factors beginning on page 11 for a discussion of certain risks that you should consider before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the exchange notes to be distributed in the exchange offer or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where such outstanding notes were acquired as a result of market-making activities or other trading activities. See Plan of Distribution.

The date of this prospectus is _____, 2013.

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different information. The prospectus may be used only for the purposes for which it has been published and no person has been authorized to give any information not contained herein. If you receive any other information, you should not rely on it. We are not making an offer of these securities in any state where the offer is not permitted.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary may not contain all of the information that may be important to you in making your investment decision. You should read the entire prospectus, including the financial data and related notes and section entitled **Risk Factors**, before making an investment decision. Unless the context otherwise indicates, as used in this prospectus, the terms SunGard, we, our, us, and the Company and similar terms refer to SunGard Data Systems Inc. and its subsidiaries on a consolidated basis. Some of the statements in this prospectus constitute forward-looking statements. See **Forward-Looking Statements**.

Our Company

We are one of the world's leading software and technology services companies. We provide software and technology services to financial services, education and public sector organizations. We also provide disaster recovery services, managed services, information availability consulting services and business continuity management software. We serve approximately 25,000 customers in more than 70 countries. Our high quality software solutions, excellent customer support and specialized technology services result in strong customer retention rates across all of our business segments and create long-term customer relationships.

We operate our business in three segments: Financial Systems (FS), Availability Services (AS) and Public Sector & Education (PS&E), which is comprised of our Public Sector business (PS) and our K-12 Education business (K-12). On January 19 and 20, 2012, the Company completed the sale of its Higher Education (HE) business, which is included in discontinued operations for purposes of this prospectus.

FS provides mission-critical software and technology services to virtually every type of financial services institution, including buy-side and sell-side institutions, third-party administrators, wealth managers, retail banks, insurance companies, corporate treasuries and energy trading firms. Our broad range of complementary software solutions and associated technology services help financial services institutions automate the business processes associated with trading, managing portfolios and accounting for investment assets.

AS provides disaster recovery services, managed services, information availability consulting services and business continuity management software to more than 8,000 customers in North America and Europe. With five million square feet of data center and operations space, AS assists IT organizations across virtually all industry and government sectors to prepare for and recover from emergencies by helping them minimize their computer downtime and optimize their uptime. Through direct sales and channel partners, AS helps organizations ensure their people and customers have uninterrupted access to the information systems they need in order to do business.

PS&E (PS and K-12) provides software and technology services designed to meet the specialized needs of local, state and federal governments, public safety and justice agencies, public and private schools, utilities, nonprofits and other public sector institutions.

We were acquired in August 2005 in a leveraged buy-out (LBO) by a consortium of private equity investment funds associated with Bain Capital Partners, The Blackstone Group, Goldman, Sachs & Co., Kohlberg Kravis Roberts & Co., Providence Equity Partners, Silver Lake and TPG (Sponsors). As a result of the LBO, we are highly leveraged and our equity is not publicly traded.

Our Sponsors continually evaluate various strategic alternatives with respect to the Company. There can be no assurance that we will ultimately pursue any strategic alternatives with respect to any business segment, or, if we do, what the structure or timing for any such transaction would be.

SunGard Data Systems Inc. was incorporated under Delaware law in 1982. Our principal executive offices are located at 680 East Swedesford Road, Wayne, Pennsylvania 19087. Our telephone number is (484) 582-2000.

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The Exchange Offer

In this prospectus, the term "outstanding notes" refers to the 6.625% Senior Subordinated Notes due 2019. The term "exchange notes" refers to the 6.625% Senior Subordinated Notes due 2019, as registered under the Securities Act of 1933, as amended (the "Securities Act"). The term "notes" refers collectively to the outstanding notes and the exchange notes.

On November 1, 2012, SunGard Data Systems Inc. issued \$1,000 million aggregate principal amount of 6.625% Senior Subordinated Notes due 2019 in a private offering.

General

In connection with the private offering, SunGard Data Systems Inc. and the guarantors of the outstanding notes entered into a registration rights agreement with the initial purchasers in which they agreed, among other things, to deliver this prospectus to you and to complete the exchange offer within 360 days after the date of original issuance of the outstanding notes. You are entitled to exchange in the exchange offer your outstanding notes for exchange notes which are identical in all material respects to the outstanding notes except:

the exchange notes have been registered under the Securities Act;

the exchange notes are not entitled to any registration rights which are applicable to the outstanding notes under the registration rights agreement; and

the additional interest provisions of the registration rights agreement are no longer applicable.

The Exchange Offer

SunGard is offering to exchange:

\$1,000 million aggregate principal amount of 6.625% Senior Subordinated Notes due 2019, which have been registered under the Securities Act, for any and all of its existing 6.625% Senior Subordinated Notes due 2019.

You may only exchange outstanding notes in a minimum denomination of \$2,000 and integral multiples of \$1,000 in excess of \$2,000.

Resale

Based on an interpretation by the staff of the Securities and Exchange Commission (the "SEC") set forth in no-action letters issued to third parties, we believe that the exchange notes issued pursuant to the exchange offer in exchange for outstanding notes may be offered for resale, resold and otherwise transferred by you (unless you are our affiliate within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

you are acquiring the exchange notes in the ordinary course of your business; and

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you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution of the exchange notes.

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If you are a broker-dealer and receive exchange notes for your own account in exchange for outstanding notes that you acquired as a result of market-making activities or other trading activities, you must acknowledge that you will deliver this prospectus in connection with any resale of the exchange notes. See Plan of Distribution.

Any holder of outstanding notes who:

is our affiliate within the meaning of Rule 405 under the Securities Act;

does not acquire the exchange notes in the ordinary course of its business; or

tenders its outstanding notes in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of exchange notes cannot rely on the position of the staff of the SEC enunciated in *Morgan Stanley & Co. Incorporated* (available June 5, 1991) and *Exxon Capital Holdings Corporation* (available May 13, 1988), as interpreted in the SEC's letter to *Shearman & Sterling* (available July 2, 1993), or similar no-action letters and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the exchange notes.

Expiration Date

The exchange offer will expire at 12:00 a.m. midnight, New York City time, on _____, 2013, unless extended by SunGard Data Systems Inc. SunGard Data Systems Inc. does not currently intend to extend the expiration date.

Withdrawal

You may withdraw the tender of your outstanding notes at any time prior to the close of business, New York City time, on the last business day on which the exchange offer remains open. SunGard Data Systems Inc. will return to you any of your outstanding notes that are not accepted for any reason for exchange, without expense to you, promptly after the expiration or termination of the exchange offer.

Conditions to the Exchange Offer

The exchange offer is subject to customary conditions, which SunGard Data Systems Inc. may waive. See The Exchange Offer Conditions to the Exchange Offer.

Procedures for Tendering Outstanding Notes

If you wish to participate in the exchange offer, you must complete, sign and date the accompanying letter of transmittal, or a facsimile of such letter of transmittal, according to the instructions contained in this prospectus and the letter of transmittal. You must then mail or otherwise deliver the letter of transmittal, or a facsimile of such letter of transmittal, together with the outstanding notes and any other required documents, to the exchange agent at the address set forth on the cover page of the letter of transmittal.

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If you hold outstanding notes through The Depository Trust Company (DTC) and wish to participate in the exchange offer, you must comply with the Automated Tender Offer Program procedures of DTC by which you will agree to be bound by the letter of transmittal.

By signing, or agreeing to be bound by, the letter of transmittal, you will represent to us that, among other things:

you are not our affiliate within the meaning of Rule 405 under the Securities Act;

you do not have an arrangement or understanding with any person or entity to participate in the distribution of the exchange notes;

you are acquiring the exchange notes in the ordinary course of your business;

if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, the distribution of the exchange notes; and

if you are a broker-dealer that will receive exchange notes for your own account in exchange for outstanding notes that were acquired as a result of market-making activities, you will deliver a prospectus, as required by law, in connection with any resale of such exchange notes.

Special Procedures for Beneficial Owners

If you are a beneficial owner of outstanding notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender those outstanding notes in the exchange offer, you should contact the registered holder promptly and instruct the registered holder to tender those outstanding notes on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.

Guaranteed Delivery Procedures

If you wish to tender your outstanding notes and your outstanding notes are not immediately available or you cannot deliver your outstanding notes, the letter of transmittal or any other required documents, or you cannot comply with the procedures under DTC's Automated Tender Offer Program for transfer of book-entry interests, prior to the expiration date, you must tender your outstanding notes according to the guaranteed delivery procedures set forth in this prospectus under The Exchange Offer Guaranteed Delivery Procedures.

Effect on Holders of Outstanding Notes

As a result of the making of, and upon acceptance for exchange of all validly tendered outstanding notes pursuant to the terms of the exchange offer, SunGard Data Systems Inc. and the guarantors of the notes will have fulfilled a covenant under the registration rights

agreement. Accordingly, there will be no increase in the interest rate

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on the outstanding notes under the circumstances described in the registration rights agreement. If you do not tender your outstanding notes in the exchange offer, you will continue to be entitled to all the rights and limitations applicable to the outstanding notes as set forth in the indenture, except SunGard Data Systems Inc. and the guarantors of the notes will not have any further obligation to you to provide for the exchange and registration of the outstanding notes under the registration rights agreement. To the extent that outstanding notes are tendered and accepted in the exchange offer, the trading market for outstanding notes could be adversely affected.

Consequences of Failure to Exchange

All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, SunGard Data Systems Inc. and the guarantors of the notes do not currently anticipate that they will register the outstanding notes under the Securities Act.

United States Federal Income Tax Consequences

The exchange of outstanding notes for exchange notes in the exchange offer will not constitute a taxable event to holders for United States federal income tax purposes. See **Certain United States Federal Income Tax Consequences of the Exchange Offer.**

Use of Proceeds

We will not receive any cash proceeds from the issuance of exchange notes in the exchange offer. See **Use of Proceeds.**

Exchange Agent

The Bank of New York Mellon is the exchange agent for the exchange offer. The addresses and telephone numbers of the exchange agent are set forth in the section captioned **The Exchange Offer Exchange Agent.**

The Exchange Notes

The summary below describes the principal terms of the exchange notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The **Description of Notes** section of this prospectus contains a more detailed description of the terms and conditions of the outstanding notes and the exchange notes. The exchange notes will have terms identical in all material respects to the outstanding notes, except that the exchange notes will not contain terms with respect to transfer restrictions, registration rights and additional interest for failure to observe certain obligations in the registration rights agreement.

Issuer

SunGard Data Systems Inc.

Securities offered

\$1,000.0 million aggregate principal amount of 6.625% Senior Subordinated Notes due 2019.

Maturity date

The exchange notes will mature on November 1, 2019.

Interest payment dates

May 1 and November 1, commencing November 1, 2013. Interest began accruing on May 1, 2013.

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Optional redemption

At any time prior to November 1, 2015, we may redeem the exchange notes, in whole or in part, at a price equal to 100% of the principal amount of the exchange notes redeemed plus accrued and unpaid interest, if any, to the redemption date and a make-whole premium, as described under Description of Notes Optional Redemption.

The exchange notes will be redeemable at our option, in whole or in part, at any time on or after November 1, 2015, at the redemption prices set forth in this prospectus, together with accrued and unpaid interest, if any, to the redemption date.

At any time prior to November 1, 2015, we may redeem up to 40% of the original principal amount of the exchange notes with the proceeds of certain equity offerings at a redemption price of 106.625% of the principal amount of the exchange notes, together with accrued and unpaid interest, if any, to the redemption date.

Mandatory offers to purchase

The occurrence of a change of control will be a triggering event requiring us to offer to purchase from you all or a portion of your exchange notes at a price equal to 101% of their principal amount, together with accrued and unpaid interest, if any, to the date of purchase.

Certain asset dispositions will also require us to use the proceeds from those asset dispositions to make an offer to purchase the exchange notes at 100% of their principal amount, together with accrued and unpaid interest, if any, to the date of purchase if such proceeds are not otherwise used within a specified period to repay indebtedness (with a corresponding reduction in commitment, if applicable) or to invest in capital assets related to our business or capital stock of a restricted subsidiary (as defined under the headings Description of Notes).

Guarantees

The exchange notes will be guaranteed, jointly and severally, fully and unconditionally on a unsecured senior subordinated basis by each of our 100% owned domestic subsidiaries that guarantees our senior secured credit facilities. Under certain circumstances, subsidiary guarantors may be released from their guarantees without the consent of the holders of notes. See Description of Notes Guarantees.

Ranking

The exchange notes will be our unsecured senior subordinated obligations and will:

rank senior in right of payment to our existing and future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the exchange notes;

rank equally in right of payment to any or all of our future senior subordinated debt;

be subordinated in right of payment to all of our existing and future senior indebtedness (including the senior secured credit facilities and the existing senior notes); and

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be effectively subordinated to all of our existing and future secured debt, to the extent of the value of the assets securing such debt, and be structurally subordinated to all obligations of each of our subsidiaries that is not a guarantor of the exchange notes.

Similarly, the note guarantees will be unsecured senior subordinated obligations of the guarantors and will:

rank senior in right of payment to all of the applicable guarantor's existing and future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the exchange notes;

rank equally in right of payment to all of the applicable guarantor's existing and future senior subordinated debt;

be subordinated in right of payment to all of the applicable guarantor's existing and future senior debt (including such guarantor's guarantee under the senior secured credit facilities and the existing senior notes) and other obligations that are not, by their terms, expressly subordinated in right of payment to the exchange notes; and

be effectively subordinated in right of payment to all of the applicable guarantor's existing and future secured debt, to the extent of the value of the assets securing such debt, and be structurally subordinated to all obligations of any subsidiary of a guarantor if that subsidiary is not also a guarantor of the exchange notes.

As of March 31, 2013, the exchange notes and related guarantees would have ranked junior to approximately \$3,949 million of senior secured indebtedness and approximately \$1,600 million of senior unsecured indebtedness.

Absence of public market for the notes

The exchange notes will be freely transferable but will also be new securities for which there will not initially be an actively trading market. We do not intend to apply for a listing of the exchange notes on any securities exchange or an automated dealer quotation system. Accordingly, we cannot assure you as to the future liquidity of any market for the exchange notes. The initial purchasers in the private offering of the outstanding notes have advised us that they currently intend to make a market in the exchange notes. However, they are not obligated to make a market in the exchange notes and any such market-making may be discontinued by the initial purchasers in their discretion at any time without notice.

Risk Factors

You should carefully consider all the information in the prospectus prior to exchanging your outstanding notes. In particular, we urge you to carefully consider the factors set forth under the heading **Risk Factors**.

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The following table sets forth summary historical consolidated financial and other data as of and for the periods indicated. The summary historical consolidated financial data as of December 31, 2011 and 2012 and for the annual periods ended December 31, 2010, 2011 and 2012 have been derived from our audited consolidated financial statements appearing elsewhere in this prospectus. The summary historical consolidated financial data as of December 31, 2010 has been derived from audited financial statements not included in this prospectus. The summary historical consolidated financial data for the three months ended March 31, 2012 and 2013 and as of March 31, 2013 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus.

Our historical results are not necessarily indicative of our future performance. The summary of historical consolidated financial data should be read in conjunction with Selected Historical Consolidated Financial Information, Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes appearing elsewhere in this prospectus.

(Dollars in millions)	Year Ended December 31,			Three Months Ended March 31,	
	2010	2011	2012	2012	2013
Consolidated statements of operations data:					
Revenue	\$ 4,437	\$ 4,440	\$ 4,263	\$ 1,024	\$ 995
Costs and expenses:					
Cost of sales and direct operating (excluding depreciation)	1,895	1,848	1,740	453	437
Sales, marketing and administration	1,057	1,108	1,039	253	242
Product development	350	393	353	94	100
Depreciation and amortization	278	271	287	71	73
Amortization of acquisition-related intangible assets	448	435	385	101	87
Goodwill impairment charges	205	48	385		
Total operating costs and expenses	4,233	4,103	4,189	972	939
Operating income (loss)	204	337	74	52	56
Interest income	2	3	1		
Interest expense and amortization of deferred financing fees	(638)	(524)	(428)	(122)	(108)
Loss on extinguishment of debt	(58)	(3)	(82)	(15)	(5)
Other income (expense)	7			2	1
Loss from continuing operations before income taxes	(483)	(187)	(435)	(83)	(56)
Benefit from (provision for) income taxes	69	118	38	7	9
Loss from continuing operations	(414)	(69)	(397)	(76)	(47)
Income (loss) from discontinued operations, net of tax	(156)	(80)	331	311	
Net income (loss)	\$ (570)	\$ (149)	\$ (66)	\$ 235	\$ (47)
Consolidated statements of cash flows data:					
Net cash provided by (used in):					
Operating activities	\$ 721	\$ 678	\$ 244	\$ 75	\$ 179
Continuing operations	601	606	645	70	179
Discontinued operations	120	72	(401)	5	
Investing activities	(260)	(326)	1,461	1,677	(46)
Financing activities	(344)	(253)	(2,039)	(1,254)	(134)

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(Dollars in millions)	Year Ended December 31,			Three Months	
	2010	2011	2012	Ended March 31, 2012	2013
Consolidated balance sheet data:					
Cash and cash equivalents	\$ 755	\$ 867	\$ 546		\$ 537
Total assets	12,968	12,550	10,018		9,738
Total debt (including current portion of long-term debt)	8,055	7,829	6,662		6,562
Total stockholders' equity	1,607	1,461	716		631
Other financial data:					
EBITDA(1)	\$ 879	\$ 1,040	\$ 664	\$ 211	\$ 212
Adjusted EBITDA(1)	1,257	1,231	1,245	243	236
Capital expenditures(2)	298	276	260	60	46
Ratio of earnings to fixed charges(3)					

(1) EBITDA, a non-GAAP measure, is defined as income (loss) from continuing operations before interest, taxes, depreciation and amortization (EBITDA). Adjusted EBITDA is defined as EBITDA further adjusted to exclude unusual items and other adjustments permitted in calculating covenant compliance under the indentures and our senior secured credit facilities. Adjusted EBITDA is a non-GAAP measure used to determine our compliance with certain covenants contained in the indenture under which the exchange notes will be issued, the indentures governing our senior unsecured notes and our unsecured senior subordinated notes and in our senior secured credit facilities. EBITDA and Adjusted EBITDA have limitations as analytical tools and you should not consider them in isolation or as a substitute for an analysis of our results under GAAP, however, we believe that including supplementary information concerning Adjusted EBITDA is appropriate to provide additional information to investors to demonstrate compliance with our financing covenants.

Adjusted EBITDA does not represent net income (loss) or cash flow from operations as those terms are defined by GAAP and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. While Adjusted EBITDA and similar measures are frequently used as measures of operations and the ability to meet debt service requirements, these terms are not necessarily comparable to other similarly titled captions of other companies due to the potential inconsistencies in the method of calculation. Adjusted EBITDA does not reflect the impact of earnings or charges resulting from matters that we may consider not to be indicative of SunGard's ongoing operations. In particular, the definition of Adjusted EBITDA in the indentures allows us to add back certain noncash, extraordinary or unusual charges that are deducted in calculating net income (loss). However, these are expenses that may recur, vary greatly and are difficult to predict. Further, SunGard's debt instruments require that Adjusted EBITDA be calculated for the most recent four fiscal quarters. As a result, the measure can be disproportionately affected by a particularly strong or weak quarter. Further, it may not be comparable to the measure for any subsequent four-quarter period or any complete fiscal year.

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The following is a reconciliation of net loss, which is a GAAP measure of SunGard's operating results, to Adjusted EBITDA as defined in SunGard's debt agreements. The terms and related calculations are defined in the indentures.

(Dollars in millions)	Three Months Ended				
	Year Ended December 31,			March 31,	
	2010	2011	2012	2012	2013
Income (loss) from continuing operations	\$ (414)	\$ (69)	\$ (397)	\$ (76)	\$ (47)
Interest expense, net	636	521	427	122	108
Taxes	(69)	(118)	(38)	(7)	(9)
Depreciation and amortization	726	706	672	172	160
EBITDA	879	1,040	664	211	212
Goodwill impairment charge	205	48	385		
Purchase accounting adjustments(a)	13	11	9	2	2
Non-cash charges(b)	36	34	39	11	11
Restructuring and other(c)	55	94	63	3	6
Acquired EBITDA, net of disposed EBITDA(d)	9	1	3	1	
Pro forma expense savings related to acquisitions(e)	2				
Loss on extinguishment of debt(f)	58	3	82	15	5
Adjusted EBITDA – senior secured credit facilities, senior notes due 2018 and 2020 and senior subordinated notes due 2019	\$ 1,257	\$ 1,231	\$ 1,245	\$ 243	\$ 236

- (a) Purchase accounting adjustments include the adjustment of deferred revenue and lease reserves to fair value at the dates of the LBO and subsequent acquisitions made by SunGard and certain acquisition-related compensation expense.
- (b) Non-cash charges include stock-based compensation (see Note 8 of Notes to Consolidated Financial Statements) and loss on the sale of assets.
- (c) Restructuring and other charges include severance and related payroll taxes, reserves to consolidate certain facilities, strategic initiative expenses, certain other expenses associated with acquisitions made by the Company, gains or losses related to fluctuation of foreign currency exchange rates impacting the foreign-denominated debt, management fees paid to the Sponsors, and franchise and similar taxes reported in operating expenses, partially offset by certain charges relating to the receivables facility.
- (d) Acquired EBITDA net of disposed EBITDA reflects the EBITDA impact of businesses that were acquired or disposed of during the period as if the acquisition or disposition occurred at the beginning of the period.
- (e) Pro forma adjustments represent the full-year impact of savings resulting from post-acquisition integration activities.
- (f) Loss on extinguishment of debt includes in 2010 the loss on extinguishment of \$1.6 billion of senior notes due in 2013 and the write-off of deferred financing fees related to the refinancing of a portion of our U.S. Dollar-denominated term loans and retirement of \$100 million of pound Sterling-denominated term loans. Loss on extinguishment of debt includes in 2012 the write-off of deferred financing fees associated with the January 2012 repayment of \$1.22 billion of our US\$-denominated term loans, the April 2012 retirement of \$500 million, 10.625% senior notes due 2015, the December 2012 retirement of \$1 billion, 10.25% senior subordinated notes due 2015 and the December 2012 repayment of \$217 million of US\$-denominated term loans. Loss on extinguishment of debt includes in 2013 the March 2013 refinance of \$2.2 billion of term loans and repayment of \$50 million of term loans.
- (2) Capital expenditures represent cash paid for property and equipment as well as software and other assets.
- (3) For purposes of calculating the ratio of earnings to fixed charges, earnings consist of income before income taxes plus fixed charges. Fixed charges include: interest expense, whether expensed or capitalized; amortization of debt issuance cost; and the portion of rental expense representative of the interest factor. Earnings for the years ended December 31, 2010, 2011 and 2012 were inadequate to cover fixed charges by \$483 million, \$187 million and \$435 million, respectively. Earnings for the three months ended March 31, 2012 and 2013 were inadequate to cover fixed charges by \$83 million and \$56 million, respectively.

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RISK FACTORS

You should carefully consider the following risk factors and all other information contained in this prospectus before deciding whether to tender your outstanding notes in the exchange offer. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently deem immaterial, also may become important factors that affect us.

If any of the following risks occur, our business, financial condition or results of operations could be materially and adversely affected. In that case, the trading price of the exchange notes could decline or we may not be able to make payments of interest and principal on the exchange notes, and you may lose some or all of your investment.

Risks Related to the Exchange Offer

There may be adverse consequences if you do not exchange your outstanding notes.

If you do not exchange your outstanding notes for exchange notes in the exchange offer, you will continue to be subject to restrictions on transfer of your outstanding notes as set forth in the offering circular distributed in connection with the private offering of the outstanding notes. In general, the outstanding notes may not be offered or sold unless they are registered or exempt from registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the outstanding notes under the Securities Act. You should refer to [Summary The Exchange Offer](#) and [The Exchange Offer](#) for information about how to tender your outstanding notes.

The tender of outstanding notes under the exchange offer will reduce the outstanding amount of the outstanding notes, which may have an adverse effect upon, and increase the volatility of, the market prices of the outstanding notes due to a reduction in liquidity.

Risks Related to Our Indebtedness

Our substantial leverage could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, expose us to interest rate risk to the extent of our variable rate debt and prevent us from meeting our debt obligations.

As a result of being acquired on August 11, 2005 by a consortium of private equity investment funds, we are highly leveraged and our debt service requirements are significant.

Our high degree of debt-related leverage could have important consequences, including:

making it more difficult for us to make payments on our debt obligations;

increasing our vulnerability to general economic and industry conditions;

requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities;

exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under our senior secured credit facilities, are at variable rates of interest;

restricting us from making acquisitions or causing us to make non-strategic divestitures;

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limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; and

limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage compared to our competitors who are less highly leveraged.

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We and our subsidiaries may be able to incur substantial additional indebtedness in the future, subject to the restrictions contained in our senior secured credit agreement and the indentures relating to our senior notes due 2018 and 2020 and the exchange notes. If new indebtedness is added to our current debt levels, the related risks that we now face could intensify.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

Our senior secured credit agreement and the indentures governing our senior notes due 2018 and 2020 and the exchange notes contain various covenants that limit our ability to engage in specified types of transactions. These covenants limit our ability to, among other things:

incur additional indebtedness or issue certain preferred shares;

pay dividends on, repurchase or make distributions in respect of our capital stock or make other restricted payments;

make certain investments;

sell certain assets;

create liens;

consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and

enter into certain transactions with our affiliates.

In addition, under the senior secured credit agreement, under certain circumstances, we are required to satisfy and maintain a specified financial ratio and other financial condition tests. Our ability to meet the financial ratio and tests can be affected by events beyond our control, and we may not be able to meet the ratio and tests. A breach of any of these covenants could result in a default under the senior secured credit agreement. Upon an event of default under the senior secured credit agreement, the lenders could elect to declare all amounts outstanding to be immediately due and payable and terminate all commitments to extend further credit.

If we were unable to repay those amounts, the lenders under the senior secured credit agreement could proceed against the collateral granted to them to secure that indebtedness. We have pledged a significant portion of our assets as collateral under the senior secured credit agreement and the senior secured notes due 2014, to the extent required by the indenture governing these notes. If the lenders under the senior secured credit agreement accelerate the repayment of borrowings, we may not have sufficient assets to repay the senior secured credit facilities and the senior secured notes due 2014, as well as our unsecured indebtedness.

Risks Related to Our Business

Our business depends largely on the economy and financial markets, and a slowdown or downturn in the economy or financial markets could adversely affect our business and results of operations.

When there is a slowdown or downturn in the economy, a drop in stock market levels or trading volumes, or an event that disrupts the financial markets, our business and financial results may suffer for a number of reasons. Customers may react to worsening conditions by reducing their capital expenditures in general or by specifically reducing their IT spending. In addition, customers may curtail or discontinue trading operations, delay or cancel IT projects, or seek to lower their costs by renegotiating vendor contracts. Also, customers with excess IT resources may choose to take their information availability solutions in-house rather than obtain those solutions from us. Moreover, competitors may respond to market conditions by lowering prices and attempting to lure away our customers to lower cost solutions. If any of these circumstances remain in effect for an extended period of time, there could be a material adverse effect on our financial results. Because our financial

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performance tends to lag behind fluctuations in the economy, our recovery from any particular downturn in the economy may not occur until after economic conditions have generally improved.

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Our business depends to a significant degree on the financial services industry, and a weakening of, or further consolidation in, or new regulations affecting, the financial services industry could adversely affect our business and results of operations.

Because our customer base is concentrated in the financial services industry, our business is largely dependent on the health of that industry. When there is a general downturn in the financial services industry, or if our customers in that industry experience financial or business problems, including bankruptcies, our business and financial results may suffer. If financial services firms continue to consolidate, there could be a material adverse effect on our business and financial results. When a customer merges with a firm using its own solution or another vendor's solution, it could decide to consolidate on a non-SunGard system, which could have an adverse effect on our financial results.

To the extent newly adopted regulations negatively impact the business, operations or financial condition of our customers, our business and financial results could be adversely affected. We could be required to invest a significant amount of time and resources to comply with additional regulations or to modify the manner in which we provide products and services to our customers; and such regulations could limit how much we can charge for our services. We may not be able to update our existing products and services, or develop new ones at all or in a timely manner, to satisfy our customers' needs. Any of these events, if realized, could have a material adverse effect on our business and financial results.

Catastrophic events may disrupt or otherwise adversely affect the markets in which we operate, our business and our profitability.

Our business may be adversely affected by a war, terrorist attack, natural disaster or other catastrophe. A catastrophic event could have a direct negative impact on us or an indirect impact on us by, for example, affecting our customers, the financial markets or the overall economy. The potential for a direct impact is due primarily to our significant investment in our infrastructure. Although we maintain redundant facilities and have contingency plans in place to protect against both man-made and natural threats, it is impossible to fully anticipate and protect against all potential catastrophes. Despite our preparations, a security breach, criminal act, military action, power or communication failure, flood, severe storm or the like could lead to service interruptions and data losses for customers, disruptions to our operations, or damage to our important facilities. The same disasters or circumstances that may lead to our customers requiring access to our availability services may negatively impact our own ability to provide such services. Our three largest availability services facilities are particularly important, and a major disruption at one or more of those facilities could disrupt or otherwise impair our ability to provide services to our availability services customers. If any of these events happen, we may be exposed to unexpected liability, our customers may leave, our reputation may be tarnished, and there could be a material adverse effect on our business and financial results.

Our application service provider systems may be subject to disruptions that could adversely affect our reputation and our business.

Our application service provider systems maintain and process confidential data on behalf of our customers, some of which is critical to their business operations. For example, our capital markets systems maintain account and trading information for our customers and their clients, and our wealth management and insurance systems maintain investor account information for retirement plans, insurance policies and mutual funds. There is no guarantee that the systems and procedures that we maintain to protect against unauthorized access to such information are adequate to protect against all security breaches. If our application service provider systems are disrupted or fail for any reason, or if our systems or facilities are infiltrated or damaged by unauthorized persons, our customers could experience data loss, financial loss, harm to reputation and significant business interruption. If that happens, we may be exposed to unexpected liability, our customers may leave, our reputation may be tarnished, and there could be a material adverse effect on our business and financial results.

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Because the sales cycle for our software is typically lengthy and unpredictable, our results may fluctuate from period to period.

Our operating results may fluctuate from period to period and be difficult to predict in a particular period due to the timing and magnitude of software sales. We offer a number of our software solutions on a license basis, which means that the customer has the right to run the software on its own computers. The customer usually makes a significant up-front payment to license software, which we generally recognize as revenue when the license contract is signed and the software is delivered. The size of the up-front payment often depends on a number of factors that are different for each customer, such as the number of customer locations, users or accounts. As a result, the sales cycle for a software license may be lengthy and take unexpected turns. Thus, it is difficult to predict when software sales will occur or how much revenue they will generate. Since there are few incremental costs associated with software sales, our operating results may fluctuate from quarter to quarter and year to year due to the timing and magnitude of software sales.

Rapid changes in technology and our customers' businesses could adversely affect our business and financial results.

Our business may suffer if we do not successfully adapt our products and services to changes in technology and changes in our customers' businesses. These changes can occur rapidly and at unpredictable intervals and we may not be able to respond adequately. If we do not successfully update and integrate our products and services to adapt to these changes, or if we do not successfully develop new products and services needed by our customers to keep pace with these changes, then our business and financial results may suffer. Our ability to keep up with technology and business changes is subject to a number of risks and we may find it difficult or costly to, among other things:

update our products and services and to develop new products fast enough to meet our customers' needs;

make some features of our products and services work effectively and securely over the Internet;

integrate more of our FS solutions;

update our products and services to keep pace with business, regulatory and other developments in the financial services industry, where many of our customers operate; and

update our services to keep pace with advancements in hardware, software and telecommunications technology.

Some technological changes, such as advancements that have facilitated the ability of our AS customers to develop their own internal solutions, may render some of our products and services less valuable or eventually obsolete. In addition, because of ongoing, rapid technological changes, the useful lives of some technology assets have become shorter and customers are therefore replacing these assets more often. As a result, our customers are increasingly expressing a preference for contracts with shorter terms, which could make our revenue less predictable in the future.

Customers taking their information availability solutions in-house or leveraging inexpensive shared cloud-based solutions may create greater pressure on our organic revenue growth rate.

Our AS solutions allow customers to leverage our technology expertise and process-IP, resource management capabilities and substantial infrastructure investments. Technological advances in recent years have significantly reduced the cost and the complexity of developing in-house solutions. Some customers, especially among the very largest having significant IT resources, prefer to develop and maintain their own in-house availability solutions, which can result in a loss of revenue from those customers. If this trend continues or worsens, there will be continued pressure on our organic revenue growth rate. Also, cloud-based solutions are often perceived as inherently redundant and highly available. This is a misconception, as high availability is only

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provided when expressly engineered into a cloud environment. However, this belief along with the opportunity to leverage inexpensive cloud infrastructure for shared recovery options can, over time, become a more significant competitive threat especially in the area of availability solutions for less critical applications.

The trend toward information availability solutions utilizing more single customer dedicated resources likely will lower our overall operating margin rate over time.

In the information availability services industry, especially among our more sophisticated customers, there is a preference for solutions that utilize some level of dedicated resources, such as blended advanced recovery services and managed services. The primary reason for this is that adding dedicated resources, although more costly, provides greater control, increases security, reduces data loss and facilitates quicker responses to business interruptions. Advanced recovery services often result in greater use of dedicated resources with a modest decrease in operating margin rate. Managed services require significant dedicated resources and, therefore, have an appropriately lower operating margin rate.

Our securities brokerage operations are highly regulated and are riskier than our other businesses.

Domestic and foreign regulatory and self-regulatory organizations, such as the SEC, the Financial Industry Regulatory Authority, and the (U.K.) Financial Services Authority can, among other things, fine, censure, issue cease-and-desist orders against, and suspend or expel a broker-dealer or its officers or employees for failure to comply with the many laws and regulations that govern brokerage activities. Such sanctions may arise out of currently-conducted activities or those conducted in prior periods. Our ability to comply with these laws and regulations is largely dependent on our establishment, maintenance, and enforcement of an effective brokerage compliance program. Failure to establish, maintain, and enforce proper brokerage compliance procedures, even if unintentional, could subject us to significant losses, lead to disciplinary or other actions, and tarnish our reputation. Regulations affecting the brokerage industry may change, which could adversely affect our financial results.

We are exposed to certain risks relating to the execution services provided by our brokerage operations to our customers and counterparties, which include other broker-dealers, active traders, hedge funds, asset managers, and other institutional and non-institutional clients. These risks include, but are not limited to, customers or counterparties failing to pay for or deliver securities, trading errors, the inability or failure to settle trades, and trade execution system failures. In our other businesses, we generally can disclaim liability for trading losses that may be caused by our software, but in our brokerage operations, we may not be able to limit our liability for trading losses or failed trades even when we are not at fault. As a result, we may suffer losses that are disproportionately large compared to the relatively modest profit contributions of our brokerage operations.

If we fail to comply with government regulations in connection with our business or providing technology services to certain financial institutions, our business and results of operations may be adversely affected.

Because we act as a third-party service provider to financial institutions and provide mission-critical applications for many financial institutions that are regulated by one or more member agencies of the Federal Financial Institutions Examination Council (FFIEC), we are subject to examination by the member agencies of the FFIEC. More specifically, we are a Multi-Regional Data Processing Servicer of the FFIEC because we provide mission critical applications for financial institutions from several data centers located in different geographic regions. As a result, the FFIEC conducts periodic reviews of certain of our operations in order to identify existing or potential risks associated with our operations that could adversely affect the financial institutions to whom we provide services, evaluate our risk management systems and controls, and determine our compliance with applicable laws that affect the services we provide to financial institutions. In addition to examining areas such as our management of technology, data integrity, information confidentiality and service availability, the reviews also assess our financial stability. Our incurrence of significant debt in connection with the LBO increases the risk of an FFIEC agency review determining that our financial stability has been

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weakened. A sufficiently unfavorable review from the FFIEC could result in our financial institution customers not being allowed to use our technology services, which could have a material adverse effect on our business and financial condition.

If we fail to comply with any regulations applicable to our business, we may be exposed to unexpected liability and/or governmental proceedings, our customers may leave, our reputation may be tarnished, and there could be a material adverse effect on our business and financial results. In addition, the future enactment of more restrictive laws or rules on the federal or state level, or, with respect to our international operations, in foreign jurisdictions on the national, provincial, state or other level, could have an adverse impact on business and financial results.

If we are unable to retain or attract customers, our business and financial results will be adversely affected.

If we are unable to keep existing customers satisfied, sell additional products and services to existing customers or attract new customers, then our business and financial results may suffer. A variety of factors could affect our ability to successfully retain and attract customers, including the level of demand for our products and services, the level of customer spending for information technology, the level of competition from customers that develop their own solutions internally and from other vendors, the quality of our customer service, our ability to update our products and develop new products and services needed by customers, and our ability to integrate and manage acquired businesses. Further, the markets in which we operate are highly competitive and we may not be able to compete effectively. Our services revenue, which has been largely recurring in nature, comes from the sale of our products and services under fixed-term contracts. We do not have a unilateral right to extend these contracts when they expire. Revenue from our broker/dealer businesses is not subject to minimum or ongoing contractual commitments on the part of brokerage customers. If customers cancel or refuse to renew their contracts, or if customers reduce the usage levels or asset values under their contracts, there could be a material adverse effect on our business and financial results.

If we fail to retain key employees, our business may be harmed.

Our success depends on the skill, experience and dedication of our employees. If we are unable to retain and attract sufficiently experienced and capable personnel, especially in product development, sales and management, our business and financial results may suffer. For example, if we are unable to retain and attract a sufficient number of skilled technical personnel, our ability to develop high quality products and provide high quality customer service may be impaired. Experienced and capable personnel in the technology industry remain in high demand, and there is continual competition for their talents. When talented employees leave, we may have difficulty replacing them, and our business may suffer. There can be no assurance that we will be able to successfully retain and attract the personnel that we need.

We are subject to the risks of doing business internationally.

A portion of our revenue is generated outside the United States, primarily from customers located in Europe. Over the past few years we have expanded our operations in certain emerging markets in Asia, Africa, Europe, the Middle East and South America. Because we sell our services outside the United States, our business is subject to risks associated with doing business internationally. Accordingly, our business and financial results could be adversely affected due to a variety of factors, including:

changes in a specific country's or region's political and cultural climate or economic condition;

unexpected or unfavorable changes in foreign laws and regulatory requirements;

difficulty of effective enforcement of contractual provisions in local jurisdictions;

inadequate intellectual property protection in foreign countries;

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trade-protection measures, import or export licensing requirements such as Export Administration Regulations promulgated by the U.S. Department of Commerce and fines, penalties or suspension or revocation of export privileges;

the effects of applicable and potentially adverse foreign tax law changes;

significant adverse changes in foreign currency exchange rates;

longer accounts receivable cycles;

managing a geographically dispersed workforce; and

difficulties associated with repatriating cash in a tax-efficient manner.

In foreign countries, particularly in those with developing economies, certain business practices may exist that are prohibited by laws and regulations applicable to us, such as the U.S. Foreign Corrupt Practices Act and other anti-corruption laws. Although our policies and procedures require compliance with these laws and are designed to facilitate compliance with these laws, our employees, contractors and agents may take actions in violation of applicable laws or our policies. Any such violation, even if prohibited by our policies, could have a material adverse effect on our business and reputation.

Our acquisitions may not be successful and we may not be able to successfully integrate and manage acquired businesses.

Generally, we seek to acquire businesses that broaden our existing product lines and service offerings and expand our geographic reach. There can be no assurance that our acquisitions will be successful or that we will be able to identify suitable acquisition candidates and successfully complete acquisitions. In addition, we may finance any future acquisition with debt, which would increase our overall levels of indebtedness and related interest costs. If we are unable to successfully integrate and manage acquired businesses, then our business and financial results may suffer. It is possible that the businesses we have acquired and businesses that we acquire in the future may perform worse than expected, be subject to an adverse litigation outcome or prove to be more difficult to integrate and manage than expected. If that happens, there may be a material adverse effect on our business and financial results for a number of reasons, including:

we may have to devote unanticipated financial and management resources to acquired businesses;

we may not be able to realize expected operating efficiencies or product integration benefits from our acquisitions;

we may have to write off goodwill or other intangible assets; and

we may incur unforeseen obligations or liabilities (including assumed liabilities not fully indemnified by the seller) in connection with acquisitions.

We could lose revenue due to fiscal funding or termination for convenience clauses in certain customer contracts, especially in our PS and K-12 businesses.

Certain of our customer contracts, particularly those with governments and school districts, may be partly or completely terminated by the customer due to budget cuts or sometimes for any reason at all. These types of clauses are often called fiscal funding or termination for convenience clauses. If a customer exercises one of these clauses, the customer would be obligated to pay for the services we performed up to the date of exercise, but would not have to pay for any further services. In addition, governments and school districts may require contract terms that differ from our standard terms. While we have not been materially affected by exercises of these clauses or other unusual terms in the past,

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we may be in the future. If customers that collectively represent a substantial portion of our revenue were to invoke the fiscal funding or termination for convenience clauses of their contracts, our future business and results of operations could be adversely affected.

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The private equity firms that acquired the Company control us and may have conflicts of interest with us.

Investment funds associated with or designated by the Sponsors indirectly own, through their ownership in SunGard Capital Corp. (SCC) and SunGard Capital Corp. II (SCCII, and together with SCC, the Parent Companies), a substantial portion of our capital stock. As a result, the Sponsors have control over our decisions to enter into any corporate transaction regardless of whether noteholders believe that any such transaction is in their own best interests. For example, the Sponsors could cause us to make acquisitions or pay dividends that increase the amount of indebtedness that is secured or that is senior to our senior subordinated notes or to sell assets.

Additionally, the Sponsors are in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. One or more of the Sponsors may also pursue acquisition opportunities that may be complementary to our business and, as a result, those acquisition opportunities may not be available to us. So long as investment funds associated with or designated by the Sponsors continue to indirectly own a significant amount of the outstanding shares of our common stock, even if such amount is less than 50%, the Sponsors will continue to be able to strongly influence or effectively control our decisions.

If we are unable to protect our proprietary technologies and defend infringement claims, we could lose one of our competitive advantages and our business could be adversely affected.

Our success depends in part on our ability to protect our proprietary products and services and to defend against infringement claims. If we are unable to do so, our business and financial results may suffer. To protect our proprietary technology, we rely upon a combination of copyright, patent, trademark and trade secret law, confidentiality restrictions in contracts with employees, customers and others, software security measures, and registered copyrights and patents. Despite our efforts to protect the proprietary technology, unauthorized persons may be able to copy, reverse engineer or otherwise use some of our technology. It also is possible that others will develop and market similar or better technology to compete with us. Furthermore, existing patent, copyright and trade secret laws may afford only limited protection, and the laws of certain countries do not protect proprietary technology as well as United States law. For these reasons, we may have difficulty protecting our proprietary technology against unauthorized copying or use. If any of these events happens, there could be a material adverse effect on the value of our proprietary technology and on our business and financial results. In addition, litigation may be necessary to protect our proprietary technology. This type of litigation is often costly and time-consuming, with no assurance of success.

We may be sued for violating the intellectual property rights of others.

The software industry is characterized by the existence of a large number of trade secrets, copyrights and the growing number of issued patents, as well as frequent litigation based on allegations of infringement or other violations of intellectual property rights. We may unknowingly violate the intellectual property rights of others. Some of our competitors or other third parties may have been more aggressive than us in applying for or obtaining patent rights for innovative proprietary technologies both in the United States and internationally. In addition, we use a limited amount of open source software in our products and may use more open source software in the future. Because open source software is developed by numerous independent parties over whom we exercise no supervision or control, allegations of infringement for using open source software are possible. Although we monitor our use and our suppliers' use of open source software to avoid subjecting our products to conditions we do not intend, the terms of many open source licenses have not been interpreted by United States or other courts, and there is a risk that these licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our products.

As a result of all of these factors, there can be no assurance that in the future third parties will not assert infringement claims against us and preclude us from using a technology in our products or require us to enter into royalty and licensing arrangements on terms that are not favorable to us, or force us to engage in costly infringement litigation, which could result in us paying monetary damages or being forced to redesign our

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products to avoid infringement. Additionally, our licenses and service agreements with our customers generally provide that we will defend and indemnify them for claims against them relating to our alleged infringement of the intellectual property rights of third parties with respect to our products or services. We might have to defend or indemnify our customers to the extent they are subject to these types of claims. Any of these claims may be difficult and costly to defend and may lead to unfavorable judgments or settlements, which could have a material adverse effect on our reputation, business and financial results. For these reasons, we may find it difficult or costly to add or retain important features in our products and services.

At present, we are vigorously defending a number of patent infringement cases. While we do not believe we have a potential liability for damages or royalties from any known current legal proceedings or claims related to the infringement of patent or other intellectual property rights that would individually or in the aggregate materially adversely affect our financial condition and operating results, the results of such legal proceedings cannot be predicted with certainty. Should we fail to prevail in any of the matters related to infringement of patent or other intellectual property rights of others or should several of these matters be resolved against us in the same reporting period, it could have a material adverse effect on our business and financial results.

Defects, design errors or security flaws in our products could harm our reputation and expose us to potential liability.

Most of our products are very complex software systems that are regularly updated. No matter how careful the design and development, complex software often contains errors and defects when first introduced and when major new updates or enhancements are released. If errors or defects are discovered in our current or future products, we may not be able to correct them in a timely manner, if at all. In our development of updates and enhancements to our products, we may make a major design error that makes the product operate incorrectly or less efficiently.

In addition, certain of our products include security features that are intended to protect the privacy and integrity of customer data. Despite these security features, our products and systems, and our customers' systems may be vulnerable to break-ins and similar problems caused by third parties, such as hackers bypassing firewalls and misappropriating confidential information. Such break-ins or other disruptions could jeopardize the security of information stored in and transmitted through our computer systems and those of our customers, subject us to liability and tarnish our reputation. We may need to expend significant capital resources in order to eliminate or work around errors, defects, design errors or security problems. Any one of these problems in our products may result in the loss of or a delay in market acceptance of our products, the diversion of development resources, a lower rate of license renewals or upgrades and damage to our reputation, and in turn may increase service and warranty costs.

A material weakness in our internal controls could have a material adverse effect on us.

Effective internal controls are necessary for us to provide reasonable assurance with respect to our financial reports and to effectively prevent fraud. If we cannot provide reasonable assurance with respect to our financial reports and effectively prevent fraud, our reputation and operating results could be harmed. Internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Further, the complexities of our quarter- and year-end closing processes increase the risk that a weakness in internal control over financial reporting may go undetected. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of effectiveness of internal control over financial reporting to future periods are subject to the risk that the control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A material weakness in our internal control over financial reporting could adversely impact our ability to provide timely and accurate financial information. If we are unable to report financial information timely and

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accurately or to maintain effective disclosure controls and procedures, we could be subject to, among other things, regulatory or enforcement actions by the SEC, any one of which could adversely affect our business prospects.

In connection with our assessment of internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002 as of December 31, 2011, we identified a material weakness related to our accounting for deferred income taxes. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. To remediate the material weakness, we developed and implemented a remediation plan. As a result of the remedial actions completed, we have concluded that we have remediated the material weakness in accounting for deferred income taxes as of December 31, 2012.

Unanticipated changes in our income tax provision or the enactment of new tax legislation, issuance of regulations or relevant judicial decisions could affect our profitability or cash flow.

We are subject to income taxes in the United States and many foreign jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes. We regularly are under examination by tax authorities. Although we believe our income tax provision is reasonable, the final determination of our tax liability could be materially different from our historical income tax provisions, which could have a material effect on our financial position, results of operations or cash flows. In addition, tax-law amendments in the U.S. and other jurisdictions could significantly impact how U.S. multinational corporations are taxed. Although we cannot predict whether or in what form such legislation will pass, if enacted it could have a material adverse effect on our business and financial results.

Risks Related to the Exchange Notes

We may not be able to generate sufficient cash to service all of our indebtedness, including the exchange notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the exchange notes. See Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the exchange notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Our senior secured credit agreement, the indentures governing the senior notes due 2018, senior notes due 2020, as well as the indenture under which the exchange notes will be issued, restrict our ability to dispose of assets and use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due. See Description of Other Indebtedness and Description of Notes.

Repayment of our debt, including the exchange notes, is dependent on cash flow generated by our subsidiaries.

Our subsidiaries own a significant portion of our assets and conduct a significant portion of our operations. Accordingly, repayment of our indebtedness, including the exchange notes, is dependent, to a significant extent,

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on the generation of cash flow by our subsidiaries and their ability to make cash available to us, by dividend, debt repayment or otherwise. Our non-guarantor subsidiaries do not have any obligation to pay amounts due on the exchange notes or to make funds available for that purpose. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness, including the exchange notes. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. While the indenture under which the exchange notes will be issued limits the ability of our subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions. In the event that we do not receive distributions from our subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the exchange notes.

Your right to receive payments on the exchange notes is effectively junior to those lenders who have a security interest in our assets.

Our obligations under the exchange notes and our guarantors' obligations under their guarantees of the exchange notes are unsecured, but our obligations under our senior secured credit facilities and senior secured notes due 2014 and each guarantor's obligations under their respective guarantees of the senior secured credit facilities and senior secured notes due 2014 are secured by a security interest in substantially all of our domestic tangible and, in the case of the senior secured credit facilities, intangible assets, including the stock of most of our wholly owned U.S. subsidiaries, and a portion of the stock of certain of our non-U.S. subsidiaries. If we are declared bankrupt or insolvent, or if we default under our senior secured credit agreement or under the indenture governing the senior secured notes due 2014, the lenders could declare all of the funds borrowed thereunder, together with accrued interest, immediately due and payable. If we were unable to repay such indebtedness, the lenders could foreclose on the pledged assets to the exclusion of holders of the exchange notes, even if an event of default exists under the indenture governing the exchange notes at such time. Furthermore, if the lenders foreclose and sell the pledged equity interests in any subsidiary guarantor under the exchange notes, then that guarantor will be released from its guarantee of the notes automatically and immediately upon such sale. In any such event, because the exchange notes will not be secured by any of our assets or the equity interests in subsidiary guarantors, it is possible that there would be no assets remaining from which your claims could be satisfied or, if any assets remained, they might be insufficient to satisfy your claims fully. See Description of Other Indebtedness. As of March 31, 2013, we had \$3,949 million of senior secured indebtedness.

The indenture under which the exchange notes will be issued permits us and our restricted subsidiaries to incur substantial additional indebtedness in the future, including senior secured indebtedness.

Your right to receive payments on the notes will be junior to the rights of the lenders under our senior secured credit facilities and all of our other senior debt and any of our future senior indebtedness.

The exchange notes will be general unsecured obligations that will be junior in right of payment to all of our existing and future senior indebtedness. As of March 31, 2013, we had \$1,600 million of senior unsecured indebtedness. As of March 31, 2013, an additional \$828 million was available to be drawn under our revolving credit facility.

We may not pay principal, premium, if any, interest or other amounts on account of the exchange notes in the event of a payment default or certain other defaults in respect of certain of our senior indebtedness, including debt under the senior secured credit facilities, unless the senior indebtedness has been paid in full or the default has been cured or waived. In addition, in the event of certain other defaults with respect to the senior indebtedness, we may not be permitted to pay any amount on account of the senior subordinated notes for a designated period of time.

Because of the subordination provisions in the exchange notes, in the event of our bankruptcy, liquidation or dissolution, our assets will not be available to pay obligations under the exchange notes until we have made all

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payments in cash on our senior indebtedness. We cannot assure you that sufficient assets will remain after all these payments have been made to make any payments on the exchange notes, including payments of principal or interest when due.

Claims of noteholders will be structurally subordinate to claims of creditors of all of our non-U.S. subsidiaries and some of our U.S. subsidiaries because they will not guarantee the exchange notes.

The exchange notes will not be guaranteed by any of our non-U.S. subsidiaries, our less than 100% owned U.S. subsidiaries, our receivables subsidiaries or certain other U.S. subsidiaries. Accordingly, claims of holders of the exchange notes will be structurally subordinate to the claims of creditors of these non-guarantor subsidiaries, including trade creditors. All obligations of our non-guarantor subsidiaries will have to be satisfied before any of the assets of such subsidiaries would be available for distribution, upon a liquidation or otherwise, to us or a guarantor of the exchange notes.

If we default on our obligations to pay our indebtedness, we may not be able to make payments on the exchange notes.

Any default under the agreements governing our indebtedness, including a default under the senior secured credit agreement, that is not waived by the required lenders, and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the exchange notes and substantially decrease the market value of the exchange notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness (including covenants in our senior secured credit agreement, the indentures governing the senior secured notes due 2014, senior notes due 2018, senior notes due 2020 and the indenture under which the exchange notes will be issued), we could be in default under the terms of the agreements governing such indebtedness (including our senior secured credit agreement, the indentures governing the senior secured notes due 2014, senior notes due 2018, senior notes due 2020 and the indenture under which the exchange notes will be issued). In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the lenders under our senior secured credit facilities could elect to terminate their commitments thereunder, cease making further loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to obtain waivers from the required lenders under our senior secured credit facilities to avoid being in default. If we breach our covenants under our senior secured credit facilities and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under our senior secured credit agreement, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

We may not be able to repurchase the exchange notes upon a change of control.

Upon the occurrence of specific kinds of change of control events, we will be required to offer to repurchase all outstanding exchange notes at 101% of their principal amount plus accrued and unpaid interest. The source of funds for any such purchase of the exchange notes will be our available cash or cash generated from our subsidiaries' operations or other sources, including borrowings, sales of assets or sales of equity. We may not be able to repurchase the exchange notes upon a change of control because we may not have sufficient financial resources to purchase all of the exchange notes that are tendered upon a change of control. Further, we will be contractually restricted under the terms of our senior secured credit agreement from repurchasing all of the exchange notes tendered by holders upon a change of control. Accordingly, we may not be able to satisfy our obligations to purchase the exchange notes unless we are able to refinance or obtain waivers under our senior secured credit agreement. Our failure to repurchase the exchange notes upon a change of control would cause a default or cross-default under the senior secured credit agreement, our indentures governing the senior secured

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notes due 2014, the senior notes due 2018, senior notes due 2020 and the indenture under which the exchange notes will be issued, as applicable. The senior secured credit agreement also provides that a change of control will be a default that permits lenders to accelerate the maturity of borrowings thereunder. Any of our future debt agreements may contain similar provisions.

Noteholders may not be able to determine when a change of control giving rise to their right to have the exchange notes repurchased has occurred following a sale of substantially all of our assets.

The definition of change of control in the indenture under which the exchange notes will be issued includes a phrase relating to the sale of all or substantially all of our assets. There is no precise established definition of the phrase substantially all under applicable law. Accordingly, the ability of a holder of the exchange notes to require us to repurchase its exchange notes as a result of a sale of less than all our assets to another person may be uncertain.

Many of the covenants in the indenture will not apply while the exchange notes are rated investment grade by both Moody's and Standard & Poor's.

Many of the covenants in the indenture under which the exchange notes will be issued will not apply to us if the exchange notes are rated investment grade by both Moody's Investors Services, Inc. (Moody's) and Standard & Poor's Ratings Services (S&P), provided at such time no default or event of default has occurred and is continuing. There can be no assurance that the exchange notes will ever be rated investment grade, or that if they are rated investment grade, that the exchange notes will maintain these ratings. However, termination or suspension of the these covenants would allow us to engage in certain transactions that would not be permitted while the covenants were in effect. To the extent the suspended covenants are subsequently reinstated, any such actions taken while the covenants were suspended would not result in an event of default under the indenture governing the exchange notes. See Description of Notes Certain Covenants.

Ratings of the exchange notes may cause their trading price to fall and affect the marketability of the exchange notes.

A rating agency's rating of the exchange notes is not a recommendation to purchase, sell or hold any particular security, including the exchange notes. Such ratings are limited in scope, and do not comment as to material risks relating to an investment in the exchange notes. An explanation of the significance of such rating may be obtained from such rating agency. There is no assurance that such credit ratings will remain in effect for any given period of time. Rating agencies also may lower, suspend or withdraw ratings on the exchange notes or our other debt in the future. Noteholders will have no recourse against us or any other parties in the event of a change in or suspension or withdrawal of such ratings. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market prices or marketability of the exchange notes.

The lenders under the senior secured credit facilities will have the discretion to release the guarantors under the senior secured credit agreement in a variety of circumstances, which will cause those guarantors to be released from their guarantees of the exchange notes.

While any obligations under the senior secured credit facilities remain outstanding, any guarantee of the exchange notes may be released without action by, or consent of, any holder of the exchange notes or the trustee under the indenture governing the exchange notes, at the discretion of lenders under the senior secured credit facilities, if the related guarantor is no longer a guarantor of obligations under the senior secured credit facilities or certain of our other indebtedness. See Description of Notes. The lenders under the senior secured credit facilities will have the discretion to release the guarantees under the senior secured credit facilities in a variety of circumstances. You will not have a claim as a creditor against any subsidiary that is no longer a guarantor of the exchange notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries will effectively be senior to claims of noteholders.

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Federal and state fraudulent transfer laws may permit a court to void the exchange notes and the related guarantees of the exchange notes, and, if that occurs, you may not receive any payments on the exchange notes.

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the exchange notes and the incurrence of the related guarantees. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws, which may vary from state to state, the exchange notes or related guarantees could be voided as a fraudulent transfer or conveyance if (1) we or any of the guarantors, as applicable, issued the exchange notes or incurred the related guarantees with the intent of hindering, delaying or defrauding creditors or (2) we or any of the guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for either issuing the exchange notes or incurring the related guarantees and, in the case of (2) only, one of the following is also true at the time thereof:

we or any of the guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the exchange notes or the incurrence of the related guarantees;

the issuance of the exchange notes or the incurrence of the related guarantees left us or any of the guarantors, as applicable, with an unreasonably small amount of capital to carry on the business;

we or any of the guarantors intended to, or believed that we or such guarantor would, incur debts beyond our or such guarantor's ability to pay as they mature; or

we or any of the guarantors was a defendant in an action for money damages, or had a judgment for money damages docketed against us or such guarantor if, in either case, after final judgment, the judgment is unsatisfied.

If a court were to find that the issuance of the exchange notes or the incurrence of the related guarantees was a fraudulent transfer or conveyance, the court could void the payment obligations under the exchange notes or such related guarantees or further subordinate the notes or such related guarantees to presently existing and future indebtedness of ours or of the related guarantor, or require the holders of the notes to repay any amounts received with respect to such related guarantees. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the exchange notes. Further, the voidance of the exchange notes could result in an event of default with respect to our and our subsidiaries' other debt that could result in acceleration of such debt.

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or an antecedent debt is secured or satisfied. A debtor will generally not be considered to have received value in connection with a debt offering if the debtor uses the proceeds of that offering to make a dividend payment or otherwise retire or redeem equity securities issued by the debtor.

We cannot be certain as to the standards a court would use to determine whether or not we or the guarantors were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the related guarantees would not be further subordinated to our or any of our guarantors' other debt. Generally, however, an entity would not be considered solvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets; or

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

Although each guarantee entered into by a guarantor subsidiary will contain a provision intended to limit that guarantor's liability to the maximum amount that it could incur without causing the incurrence of obligations

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under its guarantee to be a fraudulent transfer, this provision may not be effective to protect those guarantees from being voided under fraudulent transfer law, or may reduce that guarantor's obligation to an amount that effectively makes its guarantee worthless. In a recent Florida bankruptcy case, this kind of provision was found to be ineffective to prohibit the guarantees.

Your ability to transfer the exchange notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the exchange notes.

We are offering the exchange notes to the holders of the outstanding notes. The outstanding notes were offered and sold in November 2012 to institutional investors.

We do not intend to apply for a listing of the exchange notes on a securities exchange or on any automated dealer quotation system. There is currently no established market for the exchange notes and we cannot assure you as to the liquidity of markets that may develop for the exchange notes, your ability to sell the exchange notes or the price at which you would be able to sell the exchange notes. If such markets were to exist, the exchange notes could trade at prices that may be lower than their principal amount or purchase price depending on many factors, including prevailing interest rates, the market for similar notes, our financial and operating performance and other factors. The initial purchasers in the private offering of the outstanding notes have advised us that they currently intend to make a market with respect to the exchange notes. However, these initial purchasers are not obligated to do so, and they may discontinue their market-making activities at any time without notice. Therefore, an active market for the exchange notes may not develop or, if developed, may not continue. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the exchange notes. The market, if any, for the exchange notes may not be free from similar disruptions and any such disruptions may adversely affect the prices at which you may sell your exchange notes. In addition, the exchange notes may trade at a discount from the outstanding notes initial offering price, depending upon prevailing interest rates, the market for similar notes, our performance and other factors.

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FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the federal securities laws, which involve risks and uncertainties. You can identify forward-looking statements because they contain words such as believes, expects, may, will, should, seeks, approximates, intends, plans, estimates, or anticipates or similar expressions that concern our strategy, plans or intentions. All statements we make relating to estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. All of these forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those we expected. We derive most of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations (cautionary statements) are disclosed under Risk Factors and elsewhere in this prospectus, including, without limitation, in conjunction with the forward-looking statements included in this prospectus. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results include:

global economic and market conditions;

the condition of the financial services industry, including the effect of any further consolidation among financial services firms;

our high degree of debt-related leverage;

the effect of war, terrorism, natural disasters or other catastrophic events;

the effect of disruptions to our systems and infrastructure;

the timing and magnitude of software sales;

the timing and scope of technological advances;

customers taking their information availability solutions in-house;

the trend in information availability toward solutions utilizing more dedicated resources;

the market and credit risks associated with broker/dealer operations;

the ability to retain and attract customers and key personnel;

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risks relating to the foreign countries where we transact business;

the integration and performance of acquired business;

the ability to obtain patent protection and avoid patent-related liabilities in the context of a rapidly developing legal framework for software and business-method patents;

a material weakness in our internal controls;

unanticipated changes in our income tax provisions or the enactment of new tax legislation, issuance of regulations or relevant judicial decisions; and

the other factors set forth under Risk Factors.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this prospectus may not in fact occur. We undertake no obligation to publicly update any written or oral forward-looking statements made by us or on our behalf as a result of new information, future events or otherwise, except as otherwise required by law.

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USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the exchange notes pursuant to the exchange offer. In consideration for issuing the exchange notes as contemplated in this prospectus, we will receive in exchange a like principal amount of outstanding notes, the terms of which are identical in all material respects to the exchange notes. The outstanding notes surrendered in exchange for the exchange notes will be retired and canceled and cannot be reissued. Accordingly, the issuance of the exchange notes will not result in any change in our capitalization.

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	As of March 31, 2013 (Dollars in millions)	
Cash and cash equivalents	\$	537
Debt:		
Senior secured credit facilities:		
Revolving credit facility(1)	\$	
Existing term loan facilities(2)		3,502
Senior secured notes due 2014(3)		247
Senior notes due 2018		900
Senior notes due 2020		700
Senior subordinated notes due 2019		1,000
Secured accounts receivable facility(4)		200
Other existing debt(5)		13
Total debt		6,562
Equity		631
Total capitalization	\$	7,193

- (1) On March 2, 2012, we amended our senior secured credit facilities to, among other things, extend the maturity of our \$880 million revolving credit facility commitments from May 11, 2013 to November 29, 2016. On March 8, 2013, we amended and restated the senior secured credit facilities to, among other things, replace the \$880 million of revolving commitments with \$850 million of new revolving commitments, which will mature on March 8, 2018. As of March 31, 2013, we had an \$850 million revolving credit facility, of which \$828 million was available for borrowing after giving effect to outstanding letters of credit. See Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources and Note 5 of Notes to Consolidated Financial Statements for further discussion.
- (2) In January 2012, we completed the sale of HE. The net cash proceeds from the HE sale of \$1.22 billion were applied on a pro-rata basis to repay a portion of our term loans, including \$396 million of tranche A, \$689 million of tranche B and \$137 million of incremental term loans. On March 2, 2012, we amended the senior secured credit facilities to, among other things, extend the maturity date of \$908 million in aggregate principal amount of tranche A term loan from February 28, 2014 to February 28, 2017 (tranche C). The tranche C has certain springing maturities. On December 17, 2012, we amended the senior secured credit facilities to, among other things, allow for the issuance of a \$720 million term loan (tranche D), which has certain springing maturities. On December 31, 2012, we voluntarily prepaid \$48 million of the tranche A term loan and the entire outstanding incremental term loan balance of \$169 million. On March 8, 2013, we amended the senior secured credit facilities to, among other things, issue an additional term loan of \$2,200 million (tranche E) maturing on March 8, 2020, the proceeds of which were used to repay in full the tranche B term loan and repay \$481 million of the tranche C term loan. On March 28, 2013, we voluntarily prepaid \$50 million of the tranche A term loan. See Note 5 of Notes to Consolidated Financial Statements and Note 6 of Notes to Consolidated Financial Statements (Unaudited) for further discussion.
- (3) On January 15, 2004, we issued \$250 million of 4.875% senior unsecured notes due 2014, which are subject to certain standard covenants. As a result of the LBO, these senior notes became collateralized on an equal and ratable basis with loans under the senior secured credit facilities and are guaranteed by all subsidiaries that guarantee the senior notes due 2018 and 2020 and senior subordinated notes due 2019. The senior secured notes due 2014 are recorded at \$247 million as of March 31, 2013, reflecting the remaining unamortized discount of \$3 million caused by the LBO. See Note 5 of Notes to Consolidated Financial Statements and Note 6 of Notes to Consolidated Financial Statements (Unaudited) for further discussion.

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- (4) In connection with the sale of our HE business, the participating HE subsidiaries were removed from the receivables facility, effective as of October 3, 2011. As a result, we permanently reduced the maximum revolving commitment amount to \$90 million for a combined total amount available for borrowing of \$290 million under the receivables facilities. On December 19, 2012, we entered into a Second Amended and Restated Credit and Security Agreement to, among other things, extend the maturity date to December 19, 2017 and reduce the aggregate commitments from \$290 million to \$275 million. On January 2, 2013, we repaid a \$50 million revolving credit advance. As of March 31, 2013, \$200 million was drawn against the term loan commitment. As of March 31, 2013, \$470 million of accounts receivables secured the borrowings under the receivables facility. See Description of Other Indebtedness Receivables Facility, Note 5 of Notes to Consolidated Financial Statements and Note 6 of Notes to Consolidated Financial Statements (Unaudited) for further discussion.
- (5) Consists of payment obligations relating to foreign bank debt, historical acquisitions and capital lease obligations.

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The following table sets forth selected historical consolidated financial data of SunGard Data Systems Inc. as of the dates and for the periods indicated. The selected historical consolidated financial data as of December 31, 2011 and 2012 and for the years ended December 31, 2010, 2011 and 2012 have been derived from our audited consolidated financial statements and related notes appearing elsewhere in this prospectus. The selected historical consolidated financial data as of December 31, 2008, 2009 and 2010 and for the years ended December 31, 2008 and 2009 presented in this table have been derived from audited consolidated financial statements not included in this prospectus. The selected historical consolidated financial data for the three months ended March 31, 2012 and 2013 and as of March 31, 2013 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. The selected historical consolidated financial data set forth below should be read in conjunction with, and are qualified by reference to, Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and related notes thereto appearing elsewhere in this prospectus.

(Dollars in millions)	Year Ended December 31,					Three Months Ended March 31,	
	2008	2009	2010	2011	2012	2012	2013
Statement of Operations Data:							
Revenue	\$ 4,795	\$ 4,752	\$ 4,437	\$ 4,440	\$ 4,263	\$ 1,024	\$ 995
Operating income (loss)	537	(684) ⁽²⁾	204 ⁽³⁾	337 ⁽⁴⁾	74 ⁽⁵⁾	52	56
Loss from continuing operations	(142) ⁽¹⁾	(1,182) ⁽²⁾	(414) ⁽³⁾	(69) ⁽⁴⁾	(397)	(76)	(47)
Income (loss) from discontinued operations, net of tax	(100) ⁽¹⁾	64	(156) ⁽³⁾	(80)	331	311	
Net income (loss)	\$ (242)	\$ (1,118)	\$ (570)	\$ (149)	\$ (66)	\$ 235	\$ (47)
Balance Sheet Data:							
Cash and cash equivalents ⁽⁶⁾	\$ 957	\$ 630	\$ 755	\$ 867	\$ 546		\$ 537
Total assets	15,778	13,980	12,968	12,550	10,018		9,738
Total debt (including current portion of long-term debt)	8,875	8,315	8,055	7,829	6,662		6,562
Total stockholders' equity	3,063	2,067	1,607	1,461	716		631
Statement of Cash Flows Data:							
Net cash provided by (used in):							
Operating activities	\$ 385	\$ 639	\$ 721	\$ 678	\$ 244	\$ 75	\$ 179
Continuing operations			601	606	645	70	179
Discontinued operations			120	72	(401)	5	
Investing activities	(1,125)	(333)	(260)	(326)	1,461	1,677	(46)
Financing activities	1,319	(628)	(344)	(253)	(2,039)	(1,254)	(134)
Other Financial Data:							
EBITDA ⁽⁷⁾	\$ 1,144	\$ 99	\$ 879	\$ 1,040	\$ 664	\$ 211	\$ 212
Capital expenditures, net ⁽⁸⁾	367	315	298	276	260	60	46
Ratio of earnings to fixed charges ⁽⁹⁾							

- (1) Included in the 2008 loss from continuing operations are intangible asset write-offs of \$67 million and foreign exchange losses and unused alternative financing commitment fees associated with the acquisition of GL Trade S.A. of \$17 million. Included in the 2008 loss from discontinued operations is a goodwill impairment charge of \$128 million.
- (2) Included in the 2009 operating loss is a goodwill impairment charge of \$1.13 billion in AS and intangible asset write-offs of \$35 million in FS.

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- (3) Included in the 2010 loss from continuing operations is a goodwill impairment charge of \$205 million and a loss on the extinguishment of debt of \$58 million, including tender and call premiums of \$39 million, associated with the early retirement of \$1.6 billion senior notes due 2013 and euro denominated term loans. Included in the 2010 loss from discontinued operations is a goodwill impairment charge of \$123 million and a loss on disposal of discontinued operations of \$94 million.
- (4) Included in the 2011 loss from continuing operations are goodwill impairment charges of \$48 million related to prior-year periods which have been corrected in 2011 and an income tax benefit of \$48 million reflecting amortization of the deferred tax liability which benefit would have been reflected in prior years in the statement of comprehensive income. Included in the 2011 income (loss) from discontinued operations is \$135 million of deferred tax expense related to the book-over-tax basis difference of an HE subsidiary that is classified as held for sale at December 31, 2011 and a goodwill impairment charge of \$3 million.
- (5) Included in the 2012 loss from continuing operations is a goodwill impairment charge of \$385 million and a loss on extinguishment of debt of \$82 million, including tender and call premiums of \$48 million, due primarily to the early extinguishments of the senior notes due 2015 and the senior subordinated notes due 2015, and the partial repayment of term loans in January and December 2012. Included in the 2012 income from discontinued operations are gains on the sale of discontinued operations of \$571 million.
- (6) Cash excludes cash held by the discontinued operations of \$21 million, \$33 million, \$23 million, \$6 million, \$0 million and \$0 million at December 31, 2008, 2009, 2010, 2011 and 2012 and March 31, 2013, respectively.
- (7) EBITDA is calculated as follows:

(Dollars in millions)	Year Ended December 31,					Three Months Ended March 31,	
	2008	2009	2010	2011	2012	2012	2013
Income (loss) from continuing operations	\$ (142)	\$ (1,182)	\$ (414)	\$ (69)	\$ (397)	\$ (76)	\$ (47)
Interest expense, net	580	630	636	521	427	122	108
Taxes	7	(117)	(69)	(118)	(38)	(7)	(9)
Depreciation and amortization	699	768	726	706	672	172	160
EBITDA	\$ 1,144	\$ 99	\$ 879	\$ 1,040	\$ 664	\$ 211	\$ 212

EBITDA, a measure used by management to measure operating performance, is defined as net income plus interest, taxes, depreciation and amortization. EBITDA is not a recognized term under GAAP and does not purport to be an alternative to net income as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Additionally, EBITDA is not intended to be a measure of free cash flow available for management's discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements. Management believes EBITDA is helpful in highlighting trends because EBITDA can differ significantly from company to company depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. In addition, EBITDA provides more comparability between the historical results of SunGard and results that reflect purchase accounting and the new capital structure. Management compensates for the limitations of using non-GAAP financial measures by using them to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. Because not all companies use identical calculations, these presentations of EBITDA may not be comparable to other similarly titled measures of other companies.

- (8) Capital expenditures represent net cash paid for property and equipment as well as software and other assets.
- (9) For purposes of calculating the ratio of earnings to fixed charges, earnings consist of income before income taxes plus fixed charges. Fixed charges include: interest expense, whether expensed or capitalized; amortization of debt issuance cost; and the portion of rental expense representative of the interest factor. Earnings for the years ended December 31, 2008, 2009, 2010, 2011 and 2012 were inadequate to cover fixed charges by \$136 million, \$1,299 million, \$483 million, \$187 million and \$435 million, respectively. Earnings for the three months ended March 31, 2012 and 2013 were inadequate to cover fixed charges by \$83 million and \$56 million, respectively.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are one of the world's leading software and technology services companies. We provide software and technology services to financial services, education and public sector organizations. We also provide disaster recovery services, managed services, information availability consulting services and business continuity management software. We serve approximately 25,000 customers in more than 70 countries. Our high quality software solutions, excellent customer support and specialized technology services result in strong customer retention rates across all of our business segments and create long-term customer relationships.

We operate our business in three segments: Financial Systems (FS), Availability Services (AS) and Public Sector & Education (PS&E), which is comprised of our Public Sector business (PS) and our K-12 Education business (K-12). Our FS segment primarily serves financial services companies, corporate and government treasury departments and energy companies. Our AS segment serves IT-dependent companies across virtually all industries. Our PS&E segment, which is approximately 5% of our total revenue, primarily serves state and local governments, not-for-profit organizations and K-12 school districts and private schools throughout the U.S.

SunGard Data Systems Inc. was acquired on August 11, 2005 in a leveraged buy-out by a consortium of private equity investment funds associated with Bain Capital Partners, The Blackstone Group, Goldman Sachs & Co., Kohlberg Kravis Roberts & Co., Providence Equity Partners, Silver Lake and TPG (the LBO).

SunGard is a wholly owned subsidiary of SunGard Holdco LLC, which is wholly owned by SunGard Holding Corp., which is wholly owned by SCCII, which is a subsidiary of SCC. All four of these companies were formed for the purpose of facilitating the LBO and are collectively referred to as the Holding Companies.

FS provides mission-critical software and technology services to virtually every type of financial services institution, including buy-side and sell-side institutions, third-party administrators, wealth managers, retail banks, insurance companies, corporate treasuries and energy trading firms. Our broad range of complementary software solutions and associated technology services help financial services institutions automate the business processes associated with trading, managing portfolios and accounting for investment assets.

AS provides disaster recovery services, managed IT services, information availability consulting services and business continuity management software to more than 8,000 customers in North America and Europe. With approximately five million square feet of data center and operations space, AS assists IT organizations across virtually all industry and government sectors to prepare for and recover from emergencies by helping them minimize their computer downtime and optimize their uptime. Through direct sales and channel partners, AS helps organizations have uninterrupted access to the information systems so that they can continue to transact business.

Our PS&E segment provides software and technology services designed to meet the specialized needs of local, state and federal governments, public safety and justice agencies, public and private schools, utilities, nonprofits, and other public sector institutions.

In 2012, the difficult economy resulted in cautious customer buying patterns, particularly in the established markets. In FS, this has resulted in fewer new license sales, which in turn drove lower professional services revenue. Offsetting this, processing revenues were fairly stable and license renewals were strong. In addition, in certain product lines, particularly within the emerging markets, we have consistently acquired new customers which in turn resulted in additional professional services revenue. In AS, our managed recovery program, managed service offerings, and cloud solutions helped to offset a contraction in traditional recovery services revenue.

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In this environment, we are managing carefully to protect our profit and improve our profit margins. We are specifically taking steps to exit lower margin or slower growing business lines. We are thoughtfully managing spending and shifting our investments into faster growing products and regions. This has resulted in improved cash flow, reduced debt and greater value to our shareholders.

Use of Estimates and Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires us to make many estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses. Those estimates and judgments are based on historical experience, future expectations and other factors and assumptions we believe to be reasonable under the circumstances. We review our estimates and judgments on an ongoing basis and revise them when necessary. Actual results may differ from the original or revised estimates. A summary of our significant accounting policies is contained in Note 1 of Notes to Consolidated Financial Statements. A description of the most critical policies and those areas where estimates have a relatively greater effect in the financial statements follows. Our management has discussed the critical accounting policies described below with our audit committee.

Intangible Assets and Purchase Accounting

Purchase accounting requires that all assets and liabilities be recorded at fair value on the acquisition date, including identifiable intangible assets separate from goodwill. Identifiable intangible assets include customer base (which includes customer contracts and relationships), software and trade name. Goodwill represents the excess of cost over the fair value of net assets acquired.

The estimated fair values and useful lives of identifiable intangible assets are based on many factors, including estimates and assumptions of future operating performance and cash flows of the acquired business, the nature of the business acquired, the specific characteristics of the identified intangible assets, and our historical experience and that of the acquired business. The estimates and assumptions used to determine the fair values and useful lives of identified intangible assets could change due to numerous factors, including product demand, market conditions, technological developments, economic conditions and competition. In connection with our determination of fair values, we may engage independent appraisal firms to assist us with the valuation of intangible (and certain tangible) assets acquired and certain assumed obligations.

We periodically review carrying values and useful lives of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Factors that could indicate an impairment include significant underperformance of the asset as compared to historical or projected future operating results, or significant negative industry or economic trends. When we determine that the carrying value of an asset may not be recoverable, the related estimated future undiscounted cash flows expected to result from the use and eventual disposition of the asset are compared to the carrying value of the asset. If the sum of the estimated future undiscounted cash flows is less than the carrying amount, we record an impairment charge based on the difference between the carrying value of the asset and its fair value, which we estimate based on discounted expected future cash flows. In determining whether an asset is impaired, we make assumptions regarding recoverability of costs, estimated future cash flows from the asset, intended use of the asset and other relevant factors. If these estimates or their related assumptions change, we may be required to record non-cash impairment charges for these assets.

GAAP requires the Company to perform a goodwill impairment test, annually and test more frequently when negative conditions or a triggering event arise. In September 2011, the Financial Accounting Standards Board (FASB) issued amended guidance that simplified how entities test goodwill for impairment. After an assessment of certain qualitative factors, if it is determined to be more likely than not that the fair value of a reporting unit is less than its carrying amount, entities must perform the quantitative analysis of the goodwill impairment test. Otherwise, the quantitative test(s) become optional. As allowed under the amended guidance, the Company chose not to assess the qualitative factors of its reporting units and, instead, performed the quantitative test.

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We complete our annual goodwill impairment test as of July 1 for each of our 11 reporting units. In step one, we estimate the fair values of each reporting unit by a combination of (i) estimation of the discounted cash flows of each of the reporting units based on projected earnings in the future (the income approach) and (ii) a comparative analysis of revenue and EBITDA multiples of public companies in similar markets (the market approach). We then compare the estimated fair value to the carrying value. If there is a deficiency (the estimated fair value of a reporting unit is less than the carrying value), a step-two test is required. In step two, the amount of any goodwill impairment is measured by comparing the implied fair value of the reporting unit's goodwill to the carrying value of goodwill, with any resulting impairment reflected in operations. The implied fair value is determined in the same manner as the amount of goodwill recognized in a business combination.

Estimating the fair value of a reporting unit requires various assumptions including projections of future cash flows, perpetual growth rates and discount rates that reflect the risks associated with achieving those cash flows. The assumptions about future cash flows and growth rates are based on management's assessment of a number of factors including the reporting unit's recent performance, performance of the market that the reporting unit serves, as well as industry and general economic data from third party sources. Discount rate assumptions are based on an assessment of the risk inherent in those future cash flows. Changes to the underlying businesses could affect the future cash flows, which in turn could affect the fair value of the reporting unit. For the July 1, 2012 impairment test, the discount rates used were between 10% and 12% and the perpetual growth rates used were between 3% and 4%.

Based on the results of the step-one tests, we determined that the carrying value of our Availability Services North America (AS NA) reporting unit was in excess of its respective fair value and a step-two test was required. The primary driver for the decline in the fair value of the AS NA reporting unit compared to the prior year is the decline in the cash flow projections for AS NA when compared to those used in the 2011 goodwill impairment test as a result of a decline in the overall outlook of this reporting unit. We continue to expect to grow the AS NA business over the long-term, albeit at a slower rate than previously planned.

Prior to completing the step-two test, we first evaluated certain long-lived assets, primarily the software, customer base and property and equipment, for impairment. In performing the impairment tests for long-lived assets, we estimated the undiscounted cash flows for the asset groups over the remaining useful lives of the reporting unit's primary asset and compared that to the carrying value of the asset groups. There was no impairment of the long-lived assets.

In completing the step-two test to determine the implied fair value of goodwill and therefore the amount of impairment, we first determined the fair value of the tangible and intangible assets and liabilities. Based on the testing performed, we determined that the carrying value of goodwill exceeded its implied fair value and recorded a non-cash goodwill impairment charge of \$385 million.

The Company has one other reporting unit, whose goodwill balance was \$299 million as of December 31, 2012, where the excess of the estimated fair value over the carrying value of the reporting unit was less than 15% of the carrying value. A one hundred basis point decrease in the perpetual growth rate or a one hundred basis point increase in the discount rate would not cause this reporting unit to fail step one and require a step-two analysis. However, if this unit fails to achieve expected performance levels in the near term or experiences a downturn in the business below current expectations, goodwill could be impaired.

The Company's remaining reporting units, whose goodwill balances in aggregate total \$3.7 billion at December 31, 2012, each had estimated fair values which exceeded the carrying value of the reporting unit by at least 15% as of the July 1, 2012 impairment test.

In 2009, we recorded an adjustment to the state income tax rate used to calculate the deferred income tax liabilities associated with the intangible assets at the LBO date which resulted in reductions to our deferred tax liability and goodwill balances of approximately \$114 million. During 2011, we determined that the 2009

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adjustment was incorrect and reversed it, thereby increasing the December 31, 2011 deferred tax liability and goodwill balances each by approximately \$100 million for continuing operations and \$14 million for assets (liabilities) related to discontinued operations. As a result of this correction, we recorded a non-cash goodwill impairment charge of \$48 million, of which \$36 million related to the impairment charge in 2009 and \$12 million related to the impairment charge in 2010, and recorded a non-cash goodwill impairment charge of \$3 million in discontinued operations that related to the 2010 impairment charge. In addition, we recorded an income tax benefit of \$48 million, of which \$35 million related to prior periods, reflecting the amortization of the deferred income tax liability which would have been reflected in the statement of comprehensive income had the 2009 adjustment not been made. Had we recorded the goodwill impairment charges in the correct periods, the impairment charge for 2009 would have been \$1.162 billion, and the impairment charge in 2010 would have been \$217 million. We assessed the impact of correcting these errors in 2011 and do not believe that these amounts are material to any prior period financial statements, nor is the correction of these errors material to the 2011 financial statements. As a result, we have not restated any prior period amounts.

Based on the results of our July 1, 2010 step-one tests, we determined that the carrying values of our combined PS and K-12 reporting units, our Public Sector United Kingdom (PS UK) reporting unit, which has since been sold and is included in discontinued operations, and our Higher Education Managed Services (HE MS) reporting unit, which was sold in January 2012 and is included in discontinued operations, were in excess of their respective fair values and a step-two test was required for each of these reporting units. The primary driver for the decline in the fair value of the reporting units compared to the prior year is the reduction in the perpetual growth rate assumption used for each of these three reporting units, stemming from the disruption in the global financial markets, particularly the markets which these three reporting units serve. Furthermore, there was a decline in the cash flow projections for the combined PS and K-12 reporting units and the PS UK reporting unit compared to those used in the 2009 goodwill impairment test as a result of decline in the overall outlook for these reporting units. Additionally, the discount rate assumption used for the PS UK reporting unit was higher than the discount rate used in the 2009 impairment test.

A one percentage point increase in the perpetual growth rate or a one percentage point decrease in the discount rate would have resulted in our HE MS reporting unit having a fair value in excess of carrying value and a step-two test would not have been required.

Prior to completing the step-two tests, we first evaluated the long-lived assets, primarily the software, customer base and property and equipment, for impairment. In performing the impairment tests for long-lived assets, we estimated the undiscounted cash flows for the asset groups over the remaining useful lives of the reporting unit's primary asset and compared that to the carrying value of the asset groups. There was no impairment of the long-lived assets.

In completing the step two-tests to determine the implied fair value of goodwill and therefore the amount of impairment, we first determined the fair value of the tangible and intangible assets and liabilities. Based on the testing performed, we determined that the carrying value of goodwill exceeded its implied fair value for each of the three reporting units and recorded a non-cash goodwill impairment charge of \$328 million, of which \$205 million is presented in continuing operations and \$123 million in discontinued operations.

Revenue Recognition

We generate revenue from the following sources: (1) services revenue, which includes revenue from processing services, software maintenance and support, software rentals, recovery and managed services, professional services and broker/dealer fees; and (2) software license fees, which result from contracts that permit the customer to use a SunGard product at the customer's site.

The following criteria must be met in determining whether revenue may be recorded: persuasive evidence of a contract exists; services have been provided; the price is fixed or determinable; and collection is reasonably assured.

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Services revenue is recorded as the services are provided based on the fair value of each element. Most AS services revenue consists of fixed monthly fees based upon the specific computer configuration or business process for which the service is being provided. When recovering from an interruption, customers generally are contractually obligated to pay additional fees, which typically cover the incremental costs of supporting customers during recoveries. FS services revenue includes monthly fees, which may include a fixed minimum fee and/or variable fees based on a measure of volume or activity, such as the number of accounts, trades or transactions, users or the number of hours of service.

For fixed-fee professional services contracts, services revenue is recorded based upon proportional performance, measured by the actual number of hours incurred divided by the total estimated number of hours for the project. Changes in the estimated costs or hours to complete the contract and losses, if any, are reflected in the period during which the change or loss becomes known.

License fees result from contracts that permit the customer to use a SunGard software product at the customer's site. Generally, these contracts are multiple-element arrangements since they usually include professional services and ongoing software maintenance. In these instances, license fees are recognized upon the signing of the contract and delivery of the software if the license fee is fixed or determinable, collection is probable, and there is sufficient vendor specific evidence of the fair value of each undelivered element. When there are significant program modifications or customization, installation, systems integration or related services, the professional services and license revenue are combined and recorded based upon proportional performance, measured in the manner described above. Revenue is recorded when billed if customer payments are extended beyond normal billing terms, or at acceptance when there is significant acceptance, technology or service risk. Revenue also is recorded over the longest service period in those instances where the software is bundled together with post-delivery services and there is not sufficient evidence of the fair value of each undelivered service element.

With respect to software related multiple-element arrangements, sufficient evidence of fair value is defined as vendor specific objective evidence (VSOE). If there is no VSOE of the fair value of the delivered element (which is usually the software) but there is VSOE of the fair value of each of the undelivered elements (which are usually maintenance and professional services), then the residual method is used to determine the revenue for the delivered element. The revenue for each of the undelivered elements is set at the fair value of those elements using VSOE of the price paid when each of the undelivered elements is sold separately. The revenue remaining after allocation to the undelivered elements (i.e., the residual) is allocated to the delivered element.

VSOE supporting the fair value of maintenance is based on the optional renewal rates for each product and is typically 18% to 20% of the software license fee per year. VSOE supporting the fair value of professional services is based on the standard daily rates charged when those services are sold separately.

In some software related multiple-element arrangements, the maintenance or services rates are discounted. In these cases, a portion of the software license fee is deferred and recognized as the maintenance or services are performed based on VSOE of the services.

From time to time we enter into arrangements with customers who purchase non-software related services from us at the same time, or within close proximity, of purchasing software (non-software multiple-element arrangements). Each element within a non-software multiple-element arrangement is accounted for as a separate unit of accounting provided the following criteria are met: the delivered services have value to the customer on a standalone basis; and, for an arrangement that includes a general right of return relative to the delivered services, delivery or performance of the undelivered service is considered probable and is substantially controlled by us. Where the criteria for a separate unit of accounting are not met, the deliverable is combined with the undelivered element(s) and treated as a single unit of accounting for the purposes of allocation of the arrangement consideration and revenue recognition.

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For our non-software multiple-element arrangements, we allocate revenue to each element based on a selling price hierarchy at the arrangement inception. The selling price for each element is based upon the following selling price hierarchy: VSOE, then third-party evidence (TPE), then best estimated selling price (BESP). The total arrangement consideration is allocated to each separate unit of accounting for each of the non-software deliverables using the relative selling prices of each unit based on this hierarchy. We limit the amount of revenue recognized for delivered elements to an amount that is not contingent upon future delivery of additional products or services or meeting of any specified performance conditions.

To determine the selling price in non-software multiple-element arrangements, we establish VSOE of the selling price using the price charged for a deliverable when sold separately. Where VSOE does not exist, TPE is established by evaluating similar competitor products or services in standalone arrangements with similarly situated customers. If we are unable to determine the selling price because VSOE or TPE doesn't exist, we determine BESP for the purposes of allocating the arrangement by considering pricing practices, margin, competition, and geographies in which we offer our products and services.

Unbilled receivables are created when services are performed or software is delivered and revenue is recognized in advance of billings. Deferred revenue is created when billing occurs in advance of performing services or when all revenue recognition criteria have not been met.

We believe that our revenue recognition practices comply with the complex and evolving rules governing revenue recognition. Future interpretations of existing accounting standards, new standards or changes in our business practices could result in changes in our revenue recognition accounting policies that could have a material effect on our consolidated financial results.

Accounting for Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred income tax assets and liabilities are calculated based on the difference between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using the enacted income tax rates expected to be in effect during the years in which the temporary differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Tax benefits related to uncertain tax positions taken or expected to be taken on a tax return are recorded only when such benefits are more likely than not of being sustained. Considerable judgment is required in assessing and estimating these amounts and differences between the actual outcome of these future tax consequences and our estimates could have a material effect on our consolidated financial results.

Accounting for Stock-Based Compensation

Stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the appropriate service period. Fair value for stock options is computed using the Black-Scholes pricing model. Determining the fair value of stock-based awards requires considerable judgment, including estimating the expected term of stock options, expected volatility of our stock price, and the number of awards expected to be forfeited. Since the Company is not publicly traded, the Company utilizes equity valuations based on (a) stock market valuations of public companies in comparable businesses, (b) recent transactions involving comparable companies and (c) any other factors deemed relevant (see Note 8 of Notes to Consolidated Financial Statements). In addition, for stock-based awards where vesting is dependent upon achieving certain operating performance goals, we estimate the likelihood of achieving the performance goals. Differences between actual results and these estimates could have a material effect on our consolidated financial results. A deferred income tax asset is recorded over the vesting period as stock compensation expense is recognized. Our ability to recognize a benefit for this deferred tax asset will be ultimately determined based on the actual value of the stock option upon exercise or restricted stock unit upon distribution. If the actual value is lower than the fair value determined on the date of grant, then there could be income tax expense for the portion of the deferred tax asset that cannot be realized, which could have a material effect on our consolidated financial results.

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Results of Operations

We evaluate our performance using both GAAP and non-GAAP measures. Our primary non-GAAP measure is Internal Adjusted EBITDA, whose corresponding GAAP measure is income from continuing operations before income taxes (see Note 12 of Notes to Consolidated Financial Statements and Note 8 of Notes to Consolidated Financial Statements (Unaudited)). Internal Adjusted EBITDA is defined as operating income excluding the following items:

depreciation and amortization,

amortization of acquisition-related intangible assets,

goodwill impairment,

severance and facility closure charges,

stock compensation,

management fees, and

certain other costs.

We believe Internal Adjusted EBITDA is an effective tool to measure our operating performance since it excludes non-cash items and certain variable charges. We use Internal Adjusted EBITDA extensively to measure both SunGard and its reporting segments within the Company and also for reporting to our board of directors.

While Internal Adjusted EBITDA is useful for analysis purposes, it should not be considered as an alternative to our reported GAAP results. Also, Internal Adjusted EBITDA may not be comparable to similarly titled measures used by other companies. Internal Adjusted EBITDA is similar, but not identical, to adjusted EBITDA as defined in the Credit Agreement (as defined below) for purposes of our debt covenants.

During 2010, we sold our PS UK operation which is presented as discontinued operations. In January 2012, we sold our HE business which is also presented as discontinued operations.

Except as otherwise noted, all explanations below exclude the impacts from changes in currency translation, which we refer to as constant currency, a non-GAAP measure. We believe presenting our results on a constant currency basis is meaningful for assessing how our underlying businesses have performed due to the fact that we have international operations that are material to our overall operations. As a result, total revenues and expenses are affected by changes in the U.S. Dollar against international currencies. To present this constant currency information, current period results for entities reporting in currencies other than U.S. Dollars are converted to U.S. Dollars at the average exchange rate used in the prior year period rather than the actual exchange rates in effect during the current year period. In each of the tables below, we present the percent change based on actual, unrounded results in reported currency and in constant currency. Also, percentages may not add due to rounding.

The following discussion includes historical and certain forward-looking information that should be read together with the accompanying consolidated financial statements and related footnotes and the discussion above of certain risks and uncertainties (see Risk Factors) that could cause future operating results to differ materially from historical results or the expected results indicated by forward looking statements.

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The following table sets forth, for the periods indicated, certain supplemental revenue data and the percentage change in those amounts from period to period (in millions).

Three Months Ended March 31, 2013	FS	AS	PS&E	Total
Total revenue	\$ 600	\$ 345	\$ 50	\$ 995
Year to year revenue change	(3)%	(3)%	(1)%	(3)%
Year to year revenue change at constant currency	(3)%	(3)%	(1)%	(3)%
Services	\$ 566	\$ 340	\$ 43	\$ 949
Year to year services revenue change	(3)%	(2)%	%	(3)%
Year to year services revenue change at constant currency	(3)%	(2)%	%	(2)%
License and resale fees	\$ 27	\$	\$ 6	\$ 33
Year to year license and resale fees revenue change	11%	13%	(10)%	6%
Year to year license and resale fees revenue change at constant currency	12%	13%	(10)%	7%
Reimbursable expenses	\$ 7	\$ 5	\$ 1	\$ 13
Year to year reimbursable expenses revenue change	(33)%	(27)%	8%	(29)%
Year to year reimbursable expenses revenue change at constant currency	(33)%	(26)%	8%	(29)%

Three Months Ended March 31, 2012	FS	AS	PS&E	Total
Total revenue	\$ 618	\$ 355	\$ 51	\$ 1,024
Services	583	348	43	974
License and resale fees	24		7	31
Reimbursable expenses	11	7	1	19

Revenue:

Total SunGard reported revenue decreased \$29 million or 3% for the three months ended March 31, 2013 compared to the first quarter of 2012. On a constant currency basis, revenue decreased \$26 million, or 3%. The \$26 million decrease is due mainly to a combined \$14 million decrease in FS and AS professional services revenue, an \$8 million decrease in AS recovery services and a \$5 million decrease in FS processing revenue, partially offset by an increase in FS software license revenue of \$3 million.

Financial Systems segment:

FS reported revenue decreased \$18 million, or 3%, in the first quarter of 2013 from the prior year period, and decreased \$16 million, or 3%, on a constant currency basis. Software license revenue, which is a component of license and resale fees, was \$24 million as reported, and increased \$3 million, or 14%, year to year on a constant currency basis. During the first quarter of 2013, we saw continued growth in license sales, particularly in renewals of existing term licenses, demonstrating the mission-critical nature of our software and the value that customers ascribe to it. Nonetheless, we saw relatively fewer new license sales, particularly in the established markets, as some of our largest customers were cautious in their spending patterns. Moreover, certain customer mergers and a bankruptcy resulted in lost revenue versus prior years. This decrease in new licenses and customers' unwillingness to take on new projects led to an 8%, or \$10 million, decrease in professional services, which drove the majority of our services revenue decline. Also in services revenue, processing revenue decreased \$5 million, or 2%, and software rental revenue decreased \$3 million, or 4%, both due primarily to customer attrition as discussed above. This was partially offset by a \$2 million increase from the acquisition of XSP in the fourth quarter of 2012.

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We were also encouraged by our growth in emerging markets in the first quarter of 2013. In the emerging markets, we saw double-digit percentage growth as customers continue to demand the world-class software and services that SunGard provides. Emerging markets revenue now comprises over 10% of total FS revenue. Emerging markets include China, India and countries located in Latin America, Central and Eastern Europe, Middle East, Africa and Southeast Asia.

Availability Services segment:

AS reported revenue decreased \$10 million, or 3%, in the first quarter of 2013 from the prior year period. On a constant currency basis, revenue decreased \$9 million, or 3%, in the quarter. Our recovery services revenue has been declining due to customers shifting from traditional backup and recovery solutions to either in-house solutions or disk-based, cloud-based or managed recovery solutions. In this environment, we have introduced the Managed Recovery Program (MRP), which brings SunGard's expertise to our customers' disaster recovery operations. Also, in managed services, demand has been increasing for outsourced management of IT operations and applications. We expect these trends to continue in the future. As a result, in North America, which accounts for approximately 75% of our AS business, revenue decreased 4%, due primarily to decreases in recovery services and professional services revenue. Revenue in Europe, mostly from our U.K. operations, increased 3%, primarily as a result of a significant new managed services contract, and was partly offset by a decrease in recovery services revenue.

Public Sector & Education segment:

PS&E reported revenue and constant currency revenue decreased \$1 million, or 1%, for the three months ended March 31, 2013, from the corresponding period in 2012. Reported revenue from license and resale fees included software license revenue of \$1 million in the three months ended March 31, 2013, a decrease of approximately \$1 million from the prior year period.

The tables below set forth, for the periods indicated, certain amounts included in our Consolidated Statements of Comprehensive Income, the relative percentage that those amounts represent to consolidated revenue (unless otherwise indicated), and the percentage change in those amounts from period to period (in millions).

Three Months Ended March 31, 2013	FS	AS	PS&E	Sum of segments	Corporate	Total
Revenue	\$ 600	\$ 345	\$ 50	\$ 995	\$	\$ 995
Internal Adjusted EBITDA	130	105	14	249	(13)	236
Internal Adjusted EBITDA margin	21.6%	30.5%	29.1%	25.1%	(1.3)%	23.8%
Year to year revenue change	(3)%	(3)%	(1)%	(3)%	0%	(3)%
Year to year Internal Adjusted EBITDA change	3%	(6)%	(12)%	(2)%	3%	(2)%
Year to year revenue change at constant currency	(3)%	(3)%	(1)%	(3)%	0%	(3)%
Year to year Internal Adjusted EBITDA change at constant currency	2%	(6)%	(12)%	(3)%	3%	(3)%

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Reconciliation of Internal Adjusted EBITDA to operating income:

	Three Months Ended March 31, 2013
Internal Adjusted EBITDA	\$ 236
Depreciation ⁽¹⁾	(73)
Amortization of acquisition-related intangible assets	(87)
Severance and facility closure costs	(3)
Stock compensation expense	(11)
Management fees	(2)
Other costs (included in operating income)	(4)
Operating income	\$ 56
Operating income margin	5.7%
Operating income margin at constant currency	5.5%

Three Months Ended March 31, 2013	FS	AS	PS&E	Sum of segments	Corporate	Total
Capital expenditures	\$ 21	\$ 23	\$ 2	\$ 46	\$	\$ 46
Depreciation ⁽¹⁾	22	49	2	73		73
Amortization of acquisition-related intangible assets	44	39	4	87		87

Three Months Ended March 31, 2012	FS	AS	PS&E	Sum of segments	Corporate	Total
Revenue	\$ 618	\$ 355	\$ 51	\$ 1,024	\$	\$ 1,024
Internal Adjusted EBITDA	126	113	16	255	(14)	241
Internal Adjusted EBITDA margin	20.4%	31.7%	32.7%	24.9%	(1.4)%	23.6%

Reconciliation of Internal Adjusted EBITDA to operating income:

	Three Months Ended March 31, 2012
Internal Adjusted EBITDA	\$ 241
Depreciation(1)	(71)
Amortization of acquisition-related intangible assets	(101)
Severance and facility closure costs	(2)
Stock compensation expense	(11)
Management fees	(2)
Other costs (included in operating income)	(2)
Operating income	\$ 52
Operating income margin	5.1%

Three Months Ended March 31, 2012	FS	AS	PS&E	Sum of segments	Corporate	Total
Capital expenditures	\$ 20	\$ 38	\$ 2	\$ 60	\$	\$ 60
Depreciation ⁽¹⁾	21	48	2	71		71
Amortization of acquisition-related intangible assets	53	43	5	101		101

- (1) Includes amortization of capitalized software.

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Operating Income:

Our total operating margin was 5.5% for the three months ended March 31, 2013, compared to 5.1% for the three months ended March 31, 2012. The more significant factors impacting the 0.4 margin point improvement are the following:

1.3 margin point increase, or \$14 million, from the decrease in amortization of acquisition-related intangible assets due primarily to the \$15 million impact of software and customer base intangible assets that were fully amortized in 2012; and

0.2 margin point increase from the \$2 million increase in software license fee revenue; partially offset by

0.6 margin point decrease from the decrease in AS Internal Adjusted EBITDA margin primarily due to the decrease in revenue;

0.2 margin point decrease, or \$2 million, from the increase in depreciation and amortization due primarily to accelerating depreciation related to consolidating facilities; and

0.2 margin point decrease, or \$2 million, from the increase in currency transaction losses.

Segment Internal Adjusted EBITDA:

Financial Systems segment:

The FS Internal Adjusted EBITDA margin was 21.3% and 20.4% for the three months ended March 31, 2013 and 2012, respectively. The more significant factors impacting the 0.9 margin point improvement are the 0.4 margin point increase from the \$3 million increase in software license fee revenue; and the 0.3 margin point increase, or \$2 million, from the increase in costs capitalized as software assets. A change in the revenue mix to software from professional services, which has a higher percentage of employment costs, improved the margin in 2013. Restructuring actions, most of which were taken in the second half of 2012, reduced labor and facility costs in the first quarter of 2013.

Availability Services segment:

The AS Internal Adjusted EBITDA margin was 30.6% and 31.7% for the three months ended March 31, 2013 and 2012, respectively. The overall AS margin decreased by 1.4 margin points in the three months ended March 31, 2013 by our European business due primarily to a combined \$6 million increase in reimbursable expenses, employment-related, facility and consultant expenses, on a \$2 million increase in revenue. In North America, recovery services, which typically uses shared resources, decreased the overall AS margin by 0.9 margin points due primarily to an \$8 million decrease in revenue and a \$3 million increase in employment-related expenses from an investment to support our MRP growth, partially offset by a \$3 million decrease in equipment expense due to lower data network costs. Also in North America, a \$4 million decrease in employment-related expenses from lower commissions expense and lower headcount increased the overall AS margin by 0.8 margin points in the first quarter of 2013.

Public Sector & Education segment:

The PS&E Internal Adjusted EBITDA margin was 29.1% and 32.7% for the three months ended March 31, 2013 and 2012, respectively, and operating income decreased \$2 million. The \$2 million decrease resulted from the timing of revenue recognition in the first quarter of 2013 and higher external services fees reflecting the benefit we received in the first quarter of 2012.

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Non-operating Expenses:

Interest expense was \$108 million and \$122 million for the three months ended March 31, 2013 and 2012, respectively. The \$14 million decrease in interest expense was due primarily to lower average debt outstanding at a lower average interest rate.

Loss on extinguishment of debt was \$5 million and \$15 million for the three months ended March 31, 2013 and 2012, respectively. The loss on extinguishment of debt in 2013 includes the loss related to the refinance of \$2.2 billion of term loans. The loss on extinguishment of debt in 2012 includes the loss related to the January 2012 repayment of \$1.22 billion of term loans.

The effective income tax rates for the three months ended March 31, 2013 and 2012 were 16% and 8%, respectively. The Company's effective tax rate reflects changes in the mix of income or losses in jurisdictions with a wide range of tax rates, permanent differences between GAAP and local tax laws, and the timing of recording discrete items. Changes in the mix of income or the total amount of income for 2013 may significantly impact the estimated effective income tax rate for the year.

Accreted dividends on SCCII's cumulative preferred stock were \$25 million and \$62 million for the three months ended March 31, 2013 and 2012, respectively. The decrease in accreted dividends is due to the declaration and payment of a dividend in December 2012, partially offset by compounding.

Table of Contents**Year Ended December 31, 2012 Compared to Year Ended December 31, 2011**

The following table sets forth, for the periods indicated, certain supplemental revenue data and the relative percentage that those amounts represent to total revenue.

	Year Ended		Year Ended		Percent Increase (Decrease) 2012 vs. 2011	Constant Currency		Percent Increase (Decrease) 2012 vs. 2011
	December 31, 2011	percent of revenue	December 31, 2012	percent of revenue		December 31, 2012	percent of revenue	
(in millions)								
Financial Systems (FS)								
Services	\$ 2,445	55%	\$ 2,370	56%	(3)%	\$ 2,403	56%	(2)%
License and resale fees	259	6%	244	6%	(6)%	251	6%	(3)%
Total products and services	2,704	61%	2,614	61%	(3)%	2,654	62%	(2)%
Reimbursed expenses	72	2%	40	1%	(45)%	40	1%	(44)%
Total	\$ 2,776	63%	\$ 2,654	62%	(4)%	\$ 2,694	62%	(3)%
Availability Services (AS)								
Services	\$ 1,438	32%	\$ 1,383	32%	(4)%	\$ 1,394	32%	(3)%
License and resale fees	2	%	3	%	(15)%	3	%	(14)%
Total products and services	1,440	32%	1,386	32%	(4)%	1,397	32%	(3)%
Reimbursed expenses	20	%	19	%	(3)%	20	%	%
Total	\$ 1,460	33%	\$ 1,405	33%	(4)%	\$ 1,417	33%	(3)%
Public Sector & Education (PS&E)⁽¹⁾								
Services	\$ 173	4%	\$ 173	4%	%	\$ 173	4%	%
License and resale fees	28	1%	28	1%	2%	28	1%	2%
Total products and services	201	5%	201	5%	%	201	5%	%
Reimbursed expenses	3	%	3	%	(12)%	3	%	(12)%
Total	\$ 204	5%	\$ 204	5%	%	\$ 204	5%	%
Total Revenue								
Services	\$ 4,056	91%	\$ 3,926	92%	(3)%	\$ 3,970	92%	(2)%
License and resale fees	289	7%	275	6%	(5)%	282	7%	(3)%
Total products and services	4,345	98%	4,201	99%	(3)%	4,252	99%	(2)%
Reimbursed expenses	95	2%	62	1%	(35)%	63	1%	(34)%
Total	\$ 4,440	100%	\$ 4,263	100%	(4)%	\$ 4,315	100%	(3)%

(1) PS&E includes our PS and K-12 businesses.

Revenue:

Total SunGard reported revenue decreased \$177 million, or 4%, in 2012 compared to 2011. On a constant currency basis, revenue decreased \$125 million, or 3%. Approximately \$56 million of the \$125 million decrease, or 1.3 points of the three percentage points of decrease, was due to a decrease in revenue as we intentionally exited certain lower margin services in our broker/dealer business (the Broker/Dealer). These revenues were generally pass through fees to stock exchanges, as mentioned below.

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Our revenue is highly diversified by customer and product. During each of the past three fiscal years, no single customer has accounted for more than 3% of total revenue. On average for the past three fiscal years, services revenue has been approximately 91% of total revenue. About 80% of services revenue is highly recurring as a result of multi-year contracts and is generated from software-related services including software maintenance and support, processing and rentals; and recovery and managed services. The remaining services revenue includes professional services, which are mainly generated from implementation and consulting services in connection with the sale of our products; and broker/dealer fees, which are largely correlated with trading volumes. On a constant currency basis, services revenue decreased to \$3.97 billion from \$4.06 billion, representing approximately 92% of total revenue in 2012, an increase of 1% from 2011. The revenue decrease of \$86 million was mainly due to a \$54 million decrease in AS recovery services, a \$53 million decrease in FS and AS professional services revenue, an \$8 million decrease in FS software rental revenue and a \$7 million decrease in broker/dealer fee revenue of which the Broker/Dealer's portion resulted in a decrease of \$23 million, partially offset by a \$16 million increase in AS managed services revenue, a \$13 million increase from FS acquisitions and a \$9 million increase in FS processing revenue.

Professional services revenue was \$598 million and \$648 million in 2012 and 2011, respectively, and are discussed in more detail below. Revenue from total broker/dealer fees was \$157 million and \$164 million in 2012 and 2011, respectively.

Reported revenue from license and resale fees includes software license revenue of \$241 million and \$252 million, respectively. On a constant currency basis, software license revenue decreased \$4 million, or 2%. Reimbursed expense revenue decreased \$32 million due to the decline in revenue in the Broker/Dealer.

Financial Systems segment:

FS reported revenue was \$2.65 billion in 2012 compared to \$2.78 billion in 2011, a decrease of 4%. On a constant currency basis, revenue decreased \$82 million, or 3%. Two percentage points of the decrease, or \$56 million, was related to lower revenue from the Broker/Dealer discussed above. Professional services revenue decreased \$47 million, or 8%, due primarily to successful completion of projects during 2011 and relatively lower demand in 2012 driven by fewer new license sales, and was offset in part by a \$5 million increase from acquisitions. Software rental revenue decreased \$8 million, or 2%, due primarily to attrition. Broker/dealer fee revenue (excluding the Broker/Dealer) increased \$16 million, or 12%, due primarily to increased trading activity during 2012. Processing revenue increased \$9 million, or 1%, due mainly to the impact of new business signed in 2011, higher volumes and rate increases in 2012 and \$5 million due to acquisitions. Reported revenue from software license revenue was \$229 million, a decrease of \$11 million from 2011. On a constant currency basis, software license revenue decreased \$4 million, or 2%.

Availability Services segment:

AS reported revenue decreased \$55 million, or 4%, in 2012 from the prior year. On a constant currency basis, revenue decreased 3%. In North America, which accounts for over 75% of our AS business, revenue decreased 4% where decreases of \$54 million in recovery services (RS) and \$6 million in professional services revenue exceeded growth of \$16 million in managed services (MS) revenue. Revenue in Europe, primarily from our U.K. operations, was unchanged, where an increase in MS revenue was offset by a decrease in RS revenue.

Our RS revenue has been declining due to customers shifting from traditional backup and recovery solutions to either in-house solutions or disk-, cloud-based or managed recovery solutions. Separately, in MS, demand has been increasing for outsourced management of IT operations and applications. We expect these trends to continue in the future.

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Reported revenue and constant currency revenue were unchanged at \$204 million in 2012. Professional services revenue decreased \$2 million and processing revenue increased \$2 million. Revenue from license and resale fees included software license revenue of \$10 million in 2012, a \$1 million increase from the prior year.

The following table sets forth, for the periods indicated, certain amounts included in our consolidated statements of comprehensive income and the relative percentage that those amounts represent to consolidated revenue (unless otherwise indicated).

	Year Ended December 31, 2011		Year Ended December 31, 2012		Percent Increase (Decrease) 2012 vs. 2011	Constant Currency Year Ended December 31, 2012		Percent Increase (Decrease) 2012 vs. 2011
	percent of revenue		percent of revenue			percent of revenue		
(in millions)								
Revenue								
Financial Systems	\$ 2,776	63%	\$ 2,654	62%	(4)%	\$ 2,694	62%	(3)%
Availability Services	1,460	33%	1,405	33%	(4)%	1,417	33%	(3)%
Public Sector & Education	204	5%	204	5%	%	204	5%	%
Total Revenue	\$ 4,440	100%	\$ 4,263	100%	(4)%	\$ 4,315	100%	(3)%
Costs and Expenses								
Cost of sales and direct operating (excluding depreciation)	\$ 1,848	42%	\$ 1,740	41%	(6)%	\$ 1,759	41%	(5)%
Sales, marketing and administration	1,108	25%	1,039	24%	(6)%	1,055	24%	(5)%
Product development and maintenance	393	9%	353	8%	(10)%	367	8%	(7)%
Depreciation and amortization	271	6%	287	7%	6%	290	7%	7%
Amortization of acquisition related intangible assets	435	10%	385	9%	(11)%	387	9%	(11)%
Goodwill impairment	48	1%	385	9%	702%	385	9%	702%
Total Costs and Expenses	\$ 4,103	92%	\$ 4,189	98%	2%	\$ 4,243	98%	3%

Internal Adjusted EBITDA