

SunGard VPM Inc.
Form 424B3
November 02, 2010

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FILED PURSUANT TO RULE 424(B)(3)
File Number 333-166304
SUNGARD DATA SYSTEMS INC.
SUPPLEMENT NO. 4 TO
MARKET-MAKING PROSPECTUS DATED JUNE 18, 2010

THE DATE OF THIS SUPPLEMENT IS NOVEMBER 2, 2010

ON OCTOBER 29, 2010, SUNGARD DATA SYSTEMS INC. FILED THE ATTACHED
FORM 10-Q FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2010

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SunGard Capital Corp.	Yes <input type="radio"/>	No <input type="radio"/>
SunGard Capital Corp. II	Yes <input type="radio"/>	No <input type="radio"/>
SunGard Data Systems Inc.	Yes <input type="radio"/>	No <input type="radio"/>

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.

SunGard Capital Corp.	Large accelerated filer <input type="radio"/>	Accelerated filer <input type="radio"/>	Non-accelerated filer <input type="radio"/>	Smaller reporting company <input type="radio"/>
SunGard Capital Corp. II	Large accelerated filer <input type="radio"/>	Accelerated filer <input type="radio"/>	Non-accelerated filer <input type="radio"/>	Smaller reporting company <input type="radio"/>
SunGard Data Systems Inc.	Large accelerated filer <input type="radio"/>	Accelerated filer <input type="radio"/>	Non-accelerated filer <input type="radio"/>	Smaller reporting company <input type="radio"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

SunGard Capital Corp.	Yes <input type="radio"/>	No <input type="radio"/>
SunGard Capital Corp. II	Yes <input type="radio"/>	No <input type="radio"/>
SunGard Data Systems Inc.	Yes <input type="radio"/>	No <input type="radio"/>

The number of shares of the registrants common stock outstanding as of September 30, 2010:

SunGard Capital Corp.	255,482,475 shares of Class A common stock and 28,386,870 shares of Class L common stock
SunGard Capital Corp. II	100 shares of common stock
SunGard Data Systems Inc.	100 shares of common stock

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Part I. FINANCIAL INFORMATION

Explanatory Note

This Form 10-Q is a combined quarterly report being filed separately by three registrants: SunGard Capital Corp. (SCC), SunGard Capital Corp. II (SCCII) and SunGard Data Systems Inc. (SunGard). SCC and SCC II are collectively referred to as the Parent Companies . Unless the context indicates otherwise, any reference in this report to the Company, we, us and our refer to the Parent Companies together with their direct and indirect subsidiaries, including SunGard. Each registrant hereto is filing on its own behalf all of the information contained in this quarterly report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

Table of Contents**Item 1. Financial Statements**

SunGard Capital Corp.
Consolidated Balance Sheets
(In millions except share and per-share amounts)
(Unaudited)

	December 31, 2009	September 30, 2010
<i>Assets</i>		
Current:		
Cash and cash equivalents	\$ 664	\$ 787
Trade receivables, less allowance for doubtful accounts of \$49 and \$61	955	805
Earned but unbilled receivables	181	189
Prepaid expenses and other current assets	189	168
Clearing broker assets	332	240
Deferred income taxes	22	22
 Total current assets	 2,343	 2,211
 Property and equipment, less accumulated depreciation of \$936 and \$1,095	 925	 907
Software products, less accumulated amortization of \$1,091 and \$1,261	1,020	867
Customer base, less accumulated amortization of \$954 and \$1,133	2,294	2,111
Other intangible assets, less accumulated amortization of \$24 and \$22	195	172
Trade name, less accumulated amortization of \$10 and \$6	1,025	1,023
Goodwill	6,178	5,838
 Total Assets	 \$ 13,980	 \$ 13,129
 <i>Liabilities and Equity</i>		
Current:		
Short-term and current portion of long-term debt	\$ 64	\$ 64
Accounts payable	72	63
Accrued compensation and benefits	319	265
Accrued interest expense	146	92
Other accrued expenses	412	408
Clearing broker liabilities	294	201
Deferred revenue	1,040	975
 Total current liabilities	 2,347	 2,068
 Long-term debt	 8,251	 8,234
Deferred income taxes	1,318	1,221
 Total liabilities	 11,916	 11,523

Commitments and contingencies

Noncontrolling interest in preferred stock of SCCII subject to a put option	51	57
Class L common stock subject to a put option	88	92
Class A common stock subject to a put option	11	12
Stockholders' equity:		
Class L common stock, convertible, par value \$.001 per share; cumulative 13.5% per annum, compounded quarterly; aggregate liquidation preference of \$4,151 million and \$4,594 million; 50,000,000 shares authorized, 28,613,930 and 28,657,755 shares issued		
Class A common stock, par value \$.001 per share; 550,000,000 shares authorized, 257,529,758 and 257,924,310 shares issued		
Capital in excess of par value	2,678	2,693
Treasury stock, 248,414 and 270,885 shares of Class L common stock; and 2,239,549 and 2,441,835 shares of Class A common stock	(27)	(29)
Accumulated deficit	(2,209)	(2,809)
Accumulated other comprehensive income (loss)	(121)	(146)
Total SunGard Capital Corp. stockholders' equity (deficit)	321	(291)
Noncontrolling interest in preferred stock of SCCII	1,593	1,736
Total equity	1,914	1,445
Total Liabilities and Equity	\$ 13,980	\$ 13,129

The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Capital Corp.
Consolidated Statements of Operations
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Revenue:				
Services	\$ 1,198	\$ 1,130	\$ 3,687	\$ 3,408
License and resale fees	93	82	236	285
Total products and services	1,291	1,212	3,923	3,693
Reimbursed expenses	46	30	118	96
	1,337	1,242	4,041	3,789
Costs and expenses:				
Cost of sales and direct operating	629	568	1,999	1,764
Sales, marketing and administration	266	275	798	836
Product development	86	89	258	278
Depreciation and amortization	74	73	215	220
Amortization of acquisition-related intangible assets	150	126	404	371
Goodwill impairment charges and merger and other costs		330	1	339
	1,205	1,461	3,675	3,808
Income (loss) from operations	132	(219)	366	(19)
Interest income	5	1	6	2
Interest expense and amortization of deferred financing fees	(165)	(160)	(471)	(479)
Other income (expense)	(15)	(10)	6	4
Loss before income taxes	(43)	(388)	(93)	(492)
Benefit from income taxes	3	10	12	39
Net loss	(40)	(378)	(81)	(453)
Income attributable to the noncontrolling interest (including \$1, \$1, \$1 and \$4 in temporary equity)	(46)	(51)	(132)	(147)
Net loss attributable to SunGard Capital Corp.	\$ (86)	\$ (429)	\$ (213)	\$ (600)

The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Capital Corp.
Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2009	2010
<i>Cash flow from operations:</i>		
Net loss	\$ (81)	\$ (453)
Reconciliation of net loss to cash flow from operations:		
Depreciation and amortization	619	591
Goodwill impairment charge		328
Deferred income tax benefit	(82)	(96)
Stock compensation expense	22	24
Amortization of deferred financing costs and debt discount	31	33
Other noncash items	(7)	(3)
Accounts receivable and other current assets	20	181
Accounts payable and accrued expenses	(138)	(104)
Clearing broker assets and liabilities, net	(19)	(1)
Deferred revenue	(1)	(68)
 Cash flow from operations	 364	 432
 <i>Investment activities:</i>		
Cash paid for acquired businesses, net of cash acquired	(12)	(62)
Cash paid for property and equipment and software	(255)	(223)
Other investing activities	3	10
 Cash used in investment activities	 (264)	 (275)
 <i>Financing activities:</i>		
Cash received from issuance of common stock	1	1
Cash received from issuance of preferred stock	1	
Cash received from borrowings, net of fees	211	22
Cash used to repay debt	(814)	(51)
Cash used to purchase treasury stock	(4)	(3)
Other financing activities	(3)	(1)
 Cash used in financing activities	 (608)	 (32)
 Effect of exchange rate changes on cash	 12	 (2)
 Increase (decrease) in cash and cash equivalents	 (496)	 123
Beginning cash and cash equivalents	975	664

Ending cash and cash equivalents	\$	479	\$	787
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Supplemental information:

Acquired businesses:				
Property and equipment	\$		\$	5
Software products		8		16
Customer base		4		23
Goodwill		4		29
Other intangible assets				2
Deferred income taxes		(1)		(3)
Purchase price obligations and debt assumed		(1)		(12)
Net current liabilities assumed		(2)		2
Cash paid for acquired businesses, net of cash acquired of \$1 and \$8, respectively	\$	12	\$	62

The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Capital Corp. II
Consolidated Balance Sheets
(In millions except share and per-share amounts)
(Unaudited)

	December 31, 2009	September 30, 2010
Assets		
Current:		
Cash and cash equivalents	\$ 664	\$ 787
Trade receivables, less allowance for doubtful accounts of \$49 and \$61	955	805
Earned but unbilled receivables	181	189
Prepaid expenses and other current assets	189	168
Clearing broker assets	332	240
Deferred income taxes	22	22
Total current assets	2,343	2,211
Property and equipment, less accumulated depreciation of \$936 and \$1,095	925	907
Software products, less accumulated amortization of \$1,091 and \$1,261	1,020	867
Customer base, less accumulated amortization of \$954 and \$1,133	2,294	2,111
Other intangible assets, less accumulated amortization of \$24 and \$22	195	172
Trade name, less accumulated amortization of \$10 and \$6	1,025	1,023
Goodwill	6,178	5,838
Total Assets	\$ 13,980	\$ 13,129
Liabilities and Stockholders Equity		
Current:		
Short-term and current portion of long-term debt	\$ 64	\$ 64
Accounts payable	72	63
Accrued compensation and benefits	319	265
Accrued interest expense	146	92
Other accrued expenses	412	408
Clearing broker liabilities	294	201
Deferred revenue	1,040	975
Total current liabilities	2,347	2,068
Long-term debt	8,251	8,234
Deferred income taxes	1,318	1,221
Total liabilities	11,916	11,523
Commitments and contingencies		

Preferred stock subject to a put option	38	40
Stockholders' equity:		
Preferred stock, par value \$.001 per share; cumulative 11.5% per annum, compounded quarterly; aggregate liquidation preference of \$1,627 million and \$1,775 million; 14,999,000 shares authorized, 9,904,863 and 9,920,038 issued		
Common stock, par value \$.001 per share; 1,000 shares authorized, 100 shares issued and outstanding		
Capital in excess of par value	3,724	3,743
Treasury stock, 86,008 and 93,789 shares	(10)	(11)
Accumulated deficit	(1,567)	(2,020)
Accumulated other comprehensive income (loss)	(121)	(146)
Total stockholders' equity	2,026	1,566
Total Liabilities and Stockholders' Equity	\$ 13,980	\$ 13,129

The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Capital Corp. II
Consolidated Statements of Operations
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Revenue:				
Services	\$ 1,198	\$ 1,130	\$ 3,687	\$ 3,408
License and resale fees	93	82	236	285
Total products and services	1,291	1,212	3,923	3,693
Reimbursed expenses	46	30	118	96
	1,337	1,242	4,041	3,789
Costs and expenses:				
Cost of sales and direct operating	629	568	1,999	1,764
Sales, marketing and administration	266	275	798	836
Product development	86	89	258	278
Depreciation and amortization	74	73	215	220
Amortization of acquisition-related intangible assets	150	126	404	371
Goodwill impairment charges and merger and other costs		330	1	339
	1,205	1,461	3,675	3,808
Income (loss) from operations	132	(219)	366	(19)
Interest income	5	1	6	2
Interest expense and amortization of deferred financing fees	(165)	(160)	(471)	(479)
Other income (expense)	(15)	(10)	6	4
Loss before income taxes	(43)	(388)	(93)	(492)
Benefit from income taxes	3	10	12	39
Net loss	\$ (40)	\$ (378)	\$ (81)	\$ (453)

The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Capital Corp. II
Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2009	2010
<i>Cash flow from operations:</i>		
Net loss	\$ (81)	\$ (453)
Reconciliation of net loss to cash flow from operations:		
Depreciation and amortization	619	591
Goodwill impairment charge		328
Deferred income tax benefit	(82)	(96)
Stock compensation expense	22	24
Amortization of deferred financing costs and debt discount	31	33
Other noncash items	(7)	(3)
Accounts receivable and other current assets	20	181
Accounts payable and accrued expenses	(138)	(104)
Clearing broker assets and liabilities, net	(19)	(1)
Deferred revenue	(1)	(68)
 Cash flow from operations	 364	 432
 <i>Investment activities:</i>		
Cash paid for acquired businesses, net of cash acquired	(12)	(62)
Cash paid for property and equipment and software	(255)	(223)
Other investing activities	3	10
 Cash used in investment activities	 (264)	 (275)
 <i>Financing activities:</i>		
Cash received from issuance of preferred stock	1	
Cash received from borrowings, net of fees	211	22
Cash used to repay debt	(814)	(51)
Cash used to purchase treasury stock	(1)	(1)
Other financing activities	(5)	(2)
 Cash used in financing activities	 (608)	 (32)
 Effect of exchange rate changes on cash	 12	 (2)
 Increase (decrease) in cash and cash equivalents	 (496)	 123
Beginning cash and cash equivalents	975	664

Ending cash and cash equivalents	\$	479	\$	787
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Supplemental information:

Acquired businesses:

Property and equipment	\$		\$	5
Software products		8		16
Customer base		4		23
Goodwill		4		29
Other intangible assets				2
Deferred income taxes		(1)		(3)
Purchase price obligations and debt assumed		(1)		(12)
Net current liabilities assumed		(2)		2

Cash paid for acquired businesses, net of cash acquired of \$1 and \$8, respectively	\$	12	\$	62
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The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Data Systems Inc.
Consolidated Balance Sheets
(In millions except share and per-share amounts)
(Unaudited)

	December 31, 2009	September 30, 2010
Assets		
Current:		
Cash and cash equivalents	\$ 664	\$ 787
Trade receivables, less allowance for doubtful accounts of \$49 and \$61	955	805
Earned but unbilled receivables	181	189
Prepaid expenses and other current assets	189	168
Clearing broker assets	332	240
Deferred income taxes	22	22
Total current assets	2,343	2,211
Property and equipment, less accumulated depreciation of \$936 and \$1,095	925	907
Software products, less accumulated amortization of \$1,091 and \$1,261	1,020	867
Customer base, less accumulated amortization of \$954 and \$1,133	2,294	2,111
Other intangible assets, less accumulated amortization of \$24 and \$22	195	172
Trade name, less accumulated amortization of \$10 and \$6	1,025	1,023
Goodwill	6,178	5,838
Total Assets	\$ 13,980	\$ 13,129
Liabilities and Stockholder's Equity		
Current:		
Short-term and current portion of long-term debt	\$ 64	\$ 64
Accounts payable	72	63
Accrued compensation and benefits	319	265
Accrued interest expense	146	92
Other accrued expenses	413	410
Clearing broker liabilities	294	201
Deferred revenue	1,040	975
Total current liabilities	2,348	2,070
Long-term debt	8,251	8,234
Deferred income taxes	1,314	1,216
Total liabilities	11,913	11,520
Commitments and contingencies		

Stockholder s equity:

Common stock, par value \$.01 per share; 100 shares authorized, issued and outstanding

Capital in excess of par value	3,755	3,775
Accumulated deficit	(1,567)	(2,020)
Accumulated other comprehensive income (loss)	(121)	(146)
Total stockholder s equity	2,067	1,609
Total Liabilities and Stockholder s Equity	\$ 13,980	\$ 13,129

The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Data Systems Inc.
Consolidated Statements of Operations
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Revenue:				
Services	\$ 1,198	\$ 1,130	\$ 3,687	\$ 3,408
License and resale fees	93	82	236	285
Total products and services	1,291	1,212	3,923	3,693
Reimbursed expenses	46	30	118	96
	1,337	1,242	4,041	3,789
Costs and expenses:				
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Sales, marketing and administration	266	275	798	836
Product development	86	89	258	278
Depreciation and amortization	74	73	215	220
Amortization of acquisition-related intangible assets	150	126	404	371
Goodwill impairment charges and merger and other costs		330	1	339
	1,205	1,461	3,675	3,808
Income (loss) from operations	132	(219)	366	(19)
Interest income	5	1	6	2
Interest expense and amortization of deferred financing fees	(165)	(160)	(471)	(479)
Other income (expense)	(15)	(10)	6	4
Loss before income taxes	(43)	(388)	(93)	(492)
Benefit from income taxes	3	10	12	39
Net loss	\$ (40)	\$ (378)	\$ (81)	\$ (453)

The accompanying notes are an integral part of these consolidated financial statements.

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SunGard Data Systems Inc.
Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2009	2010
<i>Cash flow from operations:</i>		
Net loss	\$ (81)	\$ (453)
Reconciliation of net loss to cash flow from operations:		
Depreciation and amortization	619	591
Goodwill impairment charge		328
Deferred income tax benefit	(83)	(97)
Stock compensation expense	22	24
Amortization of deferred financing costs and debt discount	31	33
Other noncash items	(7)	(3)
Accounts receivable and other current assets	20	181
Accounts payable and accrued expenses	(137)	(102)
Clearing broker assets and liabilities, net	(19)	(1)
Deferred revenue	(1)	(68)
 Cash flow from operations	 364	 433
 <i>Investment activities:</i>		
Cash paid for acquired businesses, net of cash acquired	(12)	(62)
Cash paid for property and equipment and software	(255)	(223)
Other investing activities	3	10
 Cash used in investment activities	 (264)	 (275)
 <i>Financing activities:</i>		
Cash received from borrowings, net of fees	211	22
Cash used to repay debt	(814)	(51)
Other financing activities	(5)	(4)
 Cash used in financing activities	 (608)	 (33)
 Effect of exchange rate changes on cash	 12	 (2)
 Increase (decrease) in cash and cash equivalents	 (496)	 123
Beginning cash and cash equivalents	975	664
 Ending cash and cash equivalents	 \$ 479	 \$ 787

Supplemental information:

Acquired businesses:			
Property and equipment	\$	\$	5
Software products		8	16
Customer base		4	23
Goodwill		4	29
Other intangible assets			2
Deferred income taxes		(1)	(3)
Purchase price obligations and debt assumed		(1)	(12)
Net current liabilities assumed		(2)	2
Cash paid for acquired businesses, net of cash acquired of \$1 and \$8, respectively	\$	12	\$ 62

The accompanying notes are an integral part of these consolidated financial statements.

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**SUNGARD CAPITAL CORP.
SUNGARD CAPITAL CORP. II
SUNGARD DATA SYSTEMS INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation:

SunGard Data Systems Inc. (SunGard) was acquired on August 11, 2005 (the Transaction) 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 (collectively, the Sponsors).

SunGard is a wholly owned subsidiary of SunGard Holdco LLC, which is wholly owned by SunGard Holding Corp., which is wholly owned by SunGard Capital Corp. II (SCCII), which is a subsidiary of SunGard Capital Corp. (SCC). All four of these companies were formed for the purpose of facilitating the Transaction and are collectively referred to as the Holding Companies . SCC, SCCII and SunGard are separate reporting companies and, together with their direct and indirect subsidiaries, are collectively referred to as the Company .

The Company has four reportable segments: Financial Systems (FS), Higher Education (HE), Public Sector (PS) and Availability Services (AS). The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries. All significant intercompany transactions and accounts have been eliminated.

The accompanying interim consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), consistent in all material respects with those applied in the Company s Annual Report on Form 10-K for the year ended December 31, 2009. Interim financial reporting does not include all of the information and footnotes required by GAAP for annual financial statements. The interim financial information is unaudited, but, in the opinion of management, includes all adjustments, consisting only of normal recurring adjustments necessary to provide a fair statement of results for the interim periods presented. Operating results for the interim periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2010.

The presentation of certain prior year amounts has been revised to conform to the current year presentation.

Recent Accounting Pronouncements

The Financial Accounting Standards Board issued new revenue recognition guidance for arrangements with multiple deliverables. The new guidance, whose scope excludes software revenue recognition, modifies the fair value requirements for revenue recognition by providing best estimate of selling price in addition to vendor specific objective evidence, or VSOE , and vendor objective evidence, now referred to as third-party evidence, or TPE , for determining the selling price of a deliverable. Since the Company will be able to use an estimate of the selling price for the deliverables in an arrangement, all deliverables will be separate units of accounting, provided (a) a delivered item has value to the customer on a standalone basis, and (b) if the arrangement includes a general right of return relative to the delivered item, delivery or performance of the undelivered item is considered probable and substantially in the control of the Company. As a result of the requirement to use the best estimate of the selling price when VSOE or TPE of the selling price cannot be determined, the residual method is no longer permitted. The Company plans to adopt the guidance during the fourth quarter of 2010 and is currently finalizing the assessment of the impact that this guidance will have on the consolidated financial statements but does not expect the impact to be material.

Table of Contents**2. Acquisitions and Goodwill:****Acquisitions**

The Company seeks to acquire businesses that broaden its existing product lines and service offerings by adding complementary products and service offerings and by expanding its geographic reach. During the nine months ended September 30, 2010, the Company completed two acquisitions in its FS segment and one acquisition in its AS segment. Cash paid, net of cash acquired and subject to certain adjustments, was \$62 million. The allocation of purchase price for our most recent acquisition, which occurred in the third quarter of 2010, is preliminary due primarily to valuation of intangible assets. These acquisitions were not material to the consolidated financial statements.

Goodwill

Generally accepted accounting principles in the United States require the Company to perform a goodwill impairment test, a two-step test, annually and more frequently when negative conditions or a triggering event arise. The Company completes its annual goodwill impairment test as of July 1 for each of its 16 reporting units. In step one, the estimated fair value of each reporting unit is compared to its carrying value. The Company estimated 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). If there is a deficiency (the estimated fair value of a reporting unit is less than its 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 the 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. 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 against budget, performance in 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, 2010 impairment test, the discount rates and perpetual growth rates used were between 10% and 11% and 3% and 4%, respectively.

Based on the results of the step one tests, the Company determined that the carrying value of the Public Sector North America (PS NA), Public Sector United Kingdom (PS UK) and Higher Education Managed Services (HE MS) reporting units were in excess of their respective fair values and a step two test was required for each of these reporting units. The primary drivers 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 recent disruption in the global financial markets coupled with the challenging current recession, particularly the markets in which these three reporting units serve. Furthermore, there was a decline in the cash flow projections for the PS NA and PS UK reporting units, compared to those used in the 2009 goodwill impairment test as a result of decline in the overall outlook of these two 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 the HE MS reporting unit having a fair value in excess of carrying value and a step two test would not have been required and there would have been no impairment charge incurred.

Prior to completing the step two tests, the Company 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, the Company 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, management first determined the fair value of the tangible and intangible assets and liabilities. Based on

the testing performed, the Company determined that the carrying value of goodwill exceeded its implied fair value for each of the three reporting units that required a step two test and recorded a goodwill impairment charge of \$328 million.

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The following table summarizes the goodwill impairment charge by reporting unit (in millions):

Segment	Reporting Unit	Goodwill balance		Goodwill balance after impairment
		before impairment	Impairment charge	
Public Sector	PS UK	\$ 141	\$ (91)	\$ 50
Public Sector	PS NA	534	(205)	329
Higher Education	HE MS	213 ⁽¹⁾	(32)	181
		\$ 888	\$ (328)	\$ 560

(1) HE MS goodwill represents approximately 22% of total HE goodwill before the impairment charge. The remainder of the HE goodwill is associated with the core software business which did not have an impairment charge.

The Company has three other reporting units, whose goodwill balances in the aggregate total \$2.0 billion as of September 30, 2010, where the excess of the estimated fair value over the carrying value of the reporting unit was less than 10% of the carrying value. A one percentage point decrease in the perpetual growth rate or a one percentage point increase in the discount rate would cause each of these reporting units to fail the step one test and require a step two analysis, and some or all of this goodwill could be impaired. Furthermore, if any of these units fail to achieve expected performance levels in the next twelve months or experience a downturn in the business below current expectations, goodwill could be impaired.

The Company's remaining 10 reporting units, whose goodwill balances in aggregate total \$3.1 billion at September 30, 2010, each have estimated fair values in excess of 25% more than the carrying value of the reporting unit.

The following table summarizes changes in goodwill by segment (in millions):

FS	HE	Cost			Subtotal	Accumulated Impairment				Total
		PS	AS	Subtotal		HE	PS	AS	Subtotal	
\$ 3,457	\$ 950	\$ 814	\$ 2,211	\$ 7,432	\$	\$ (128)	\$ (1,126)	\$ (1,254)	\$ 6,178	

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Balance at December 31, 2009										
2010 acquisitions	28		1		29					29
Impairment charges						(32)	(296)		(328)	(328)
Adjustments related to the Transaction and prior year acquisitions	(2)				(2)					(2)
Effect of foreign currency translation	(23)	(10)	(6)		(39)					(39)
Balance at September 30, 2010	\$ 3,460	\$ 950	\$ 804	\$ 2,206	\$ 7,420	\$ (32)	\$ (424)	\$ (1,126)	\$ (1,582)	\$ 5,838

Table of Contents**3. Clearing Broker Assets and Liabilities:**

Clearing broker assets and liabilities are comprised of the following (in millions):

	December 31, 2009	September 30, 2010
Segregated customer cash and treasury bills	\$ 153	\$ 38
Securities owned	40	62
Securities borrowed	116	127
Receivables from customers and other	23	13
Clearing broker assets	\$ 332	\$ 240
Payables to customers	\$ 163	\$ 25
Securities loaned	95	115
Customer securities sold short, not yet purchased	9	
Payable to brokers and dealers	27	61
Clearing broker liabilities	\$ 294	\$ 201

Segregated customer cash and treasury bills are held by the Company on behalf of customers. Clearing broker securities consist of trading and investment securities at fair market values, which are based on quoted market rates. Securities borrowed and loaned are collateralized financing transactions which are cash deposits made to or received from other broker/dealers. Receivables from and payables to customers represent amounts due or payable on cash and margin transactions.

4. Debt and Derivatives:**Debt**

On September 30, 2010, the Company entered into an Amended and Restated Credit and Security Agreement (Agreement) related to its receivables facility. Among other things, the amendment (a) increased the borrowing capacity under the facility from \$317 million to \$350 million, (b) extended the maturity date to September 30, 2014, (c) removed the 3% LIBOR floor and set the interest rate to one-month LIBOR plus 3.5%, which at September 30, 2010 was 3.76%, and (d) amended certain terms. Approximately \$8 million of fees were paid in connection with the Agreement.

Derivatives

The Company uses interest rate swap agreements to manage the amount of its floating rate debt in order to reduce its exposure to variable rate interest payments associated with the senior secured credit facilities. Each of these swap agreements is designated as a cash flow hedge. SunGard pays a stream of fixed interest payments for the term of the swap, and in turn, receives variable interest payments based on LIBOR. The net receipt or payment from the interest rate swap agreements is included in interest expense. The Company does not enter into interest rate swaps for speculative or trading purposes. A summary of the Company's interest rate swaps follows:

Inception	Maturity	Notional Amount (in millions)	Interest rate paid	Interest rate received (LIBOR)
February 2006	February 2011	\$ 800	5.00%	3-Month
January 2008		750	3.17%	3-Month

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	February 2011			
	February			1-Month
January/February 2009	2012	1,200	1.78%	
January/February 2010	May 2013	500	1.99%	3-Month
Total / Weighted Average interest rate		\$ 3,250	2.93%	

The fair values of interest rate swaps designated as cash flow hedging instruments, included in other accrued expenses on the consolidated balance sheets, are \$70 million and \$61 million as of December 31, 2009 and September 30, 2010, respectively.

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The table below summarizes the impact of the effective portion of interest rate swaps on the balance sheets and statements of operations for the three and nine month periods ended September 30, 2009 and 2010 (in millions):

	Three Months Ended September 30, 2009		Nine Months Ended September 30, 2010		
					Classification
Gain (loss) recognized in Accumulated Other Comprehensive Loss (OCI)	\$ (4)	\$ 6	\$ 8	\$ 9	OCI
Gain (loss) reclassified from accumulated OCI into income	(22)	21	(56)	(19)	Interest expense and amortization of deferred financing fees

The Company has no ineffectiveness related to its swap agreements.

The Company expects to reclassify in the next twelve months approximately \$47 million from OCI into earnings related to the Company's interest rate swaps based on the borrowing rates at September 30, 2010.

5. Fair Value Measurements:

The following table summarizes assets and liabilities measured at fair value on a recurring basis at September 30, 2010 (in millions):

	Fair Value Measures Using			Total
	Level 1	Level 2	Level 3	
Assets				
Cash and cash equivalents	\$ 207			\$ 207
Clearing broker assets	9			9
Clearing broker assets	62			62
	\$ 278			\$ 278
Liabilities				
Interest rate swap agreements and other		\$ 58		\$ 58

The following table summarizes assets and liabilities measured at fair value on a recurring basis at December 31, 2009 (in millions):

	Fair Value Measures Using			Total
	Level 1	Level 2	Level 3	
Assets				
Cash and cash equivalents	\$ 168			\$ 168
Clearing broker assets	151			151
Clearing broker assets	40			40
	\$ 359			\$ 359

Liabilities

Clearing broker liabilities – customer securities sold short, not yet purchased	\$	9	\$		\$	\$	9
Interest rate swap agreements				70			70
	\$	9	\$	70	\$	\$	79

A Level 1 fair value measure is based upon quoted prices in active markets for identical assets or liabilities. A Level 2 fair value measure is based upon quoted prices for similar assets and liabilities in active markets or inputs that are observable. A Level 3 fair value measure is based upon inputs that are unobservable (for example, cash flow modeling inputs based on assumptions).

Cash and cash equivalents – money market funds and Clearing broker assets – U.S. treasury bills are recognized and measured at fair value in the Company’s financial statements. Clearing broker assets and liabilities – securities owned and customer securities sold short, not yet purchased are recorded at closing exchange-quoted prices. Fair values of the interest rate swap agreements are calculated using a discounted cash flow model using observable applicable market swap rates and assumptions and are compared to market valuations obtained from brokers.

Table of Contents**Fair Value Measurements:**

The following table summarizes assets and liabilities measured at fair value on a non-recurring basis at September 30, 2010 (in millions):

Assets	Fair Value Measures Using			Total Gains (Losses)
	Level 1	Level 2	Level 3	
Goodwill	\$	\$	\$ 560	\$ (328)

The following table summarizes assets and liabilities measured at fair value on a non-recurring basis at December 31, 2009 (in millions):

Assets	Fair Value Measures Using			Total Gains (Losses)
	Level 1	Level 2	Level 3	
Goodwill	\$	\$	\$ 928	\$ (1,126)

The fair value of goodwill is categorized in Level 3, fair value measurement using significant unobservable inputs, and is estimated by a combination of (i) discounted cash flows 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). This requires the use of various assumptions including projections of future cash flows, perpetual growth rates and discount rates. The \$328 million impairment loss, which is reflected in operations for the three and nine months ended September 30, 2009, relates to certain of the Company's reporting units, as discussed further in Note 2. The \$1,126 million impairment loss, which is reflected in operations for the year ended December 31, 2009, relates to one of the Company's reporting units, as discussed further in the Company's 2009 Form 10-K.

The following table presents the carrying amount and estimated fair value of the Company's debt, including current portion and excluding the interest rate swaps, as of December 31, 2009 and September 30, 2010 (in millions):

	December 31, 2009		September 30, 2010	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Floating rate debt	\$ 4,967	\$ 4,815	\$ 4,945	\$ 4,847
Fixed rate debt	3,348	3,507	3,353	3,482

The fair value of the Company's floating rate and fixed rate long-term debt is primarily based on market rates.

6. Comprehensive Income (Loss):

Comprehensive income (loss) consists of net income (loss) adjusted for other increases and decreases affecting stockholder's equity that are excluded from the determination of net income (loss). The calculation of comprehensive income (loss) follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Net loss	\$ (40)	\$ (378)	\$ (81)	\$ (453)
Foreign currency translation gains (losses)	33	105	93	(34)
Unrealized gains (losses) on derivative instruments	(4)	6	8	9
Comprehensive income (loss)	\$ (11)	\$ (267)	\$ 20	\$ (478)

Table of Contents**7. Equity:**

A rollforward of SCC's equity for 2010 follows (in millions):

	SunGard Capital Corp. stockholders				Noncontrolling interest		
	Class L - temporary equity	Class A - temporary equity	Permanent equity	Total	Temporary equity	Permanent equity	Total
Balance at December 31, 2009	\$ 88	\$ 11	\$ 321	\$ 420	\$ 51	\$ 1,593	\$ 1,644
Net income (loss)			(600)	(600)	4	143	147
Foreign currency translation			(34)	(34)			
Net unrealized gain on derivative instruments			9	9			
Comprehensive income (loss)			(625)	(625)	4	143	147
Stock compensation expense			24	24			
Termination of put options due to employee terminations and other	(2)			(2)	(1)	1	
Purchase of treasury stock			(1)	(1)		(1)	(1)
Transfer intrinsic value of vested restricted stock units	6	1	(10)	(3)	3		3
Balance at September 30, 2010	\$ 92	\$ 12	\$ (291)	\$ (187)	\$ 57	\$ 1,736	\$ 1,793

A rollforward of SCC's equity for 2009 follows (in millions):

	SunGard Capital Corp. stockholders				Noncontrolling interest		
	Class L - temporary equity	Class A - temporary equity	Permanent equity	Total	Temporary equity	Permanent equity	Total
Balance at December 31, 2008	\$ 111	\$ 12	\$ 1,458	\$ 1,581	\$ 60	\$ 1,411	\$ 1,471
Net income (loss)			(213)	(213)	1	131	132
Foreign currency translation			93	93			
Net unrealized gain on derivative instruments			8	8			
Comprehensive income (loss)			(112)	(112)	1	131	132
Stock compensation expense			22	22			
Termination of put options due to employee terminations and other	(33)	(3)	40	4	(12)	7	(5)
Issuance of common and preferred stock	1			1			
Purchase of treasury stock			(2)	(2)		(1)	(1)
Transfer intrinsic value of vested restricted stock units	6	1	(6)	1	(2)		(2)

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Balance at September 30, 2009 \$ 85 \$ 10 \$ 1,400 \$ 1,495 \$ 47 \$ 1,548 \$ 1,595

During June 2010, the Company amended the terms of unvested performance awards granted in 2007 and thereafter by reducing performance targets for 2011 through 2014 to each year's consolidated Internal EBITA (defined as income from operations before amortization of acquisition-related intangible assets, stock compensation expense and certain other items) budget. There was no expense recognized at this time as a result of the modifications.

Table of Contents**8. Segment Information:**

The Company has four reportable segments: FS, HE and PS, which together form the Company's Software & Processing Solutions business, and AS. The Company evaluates the performance of its segments based on operating results before interest, income taxes, amortization of acquisition-related intangible assets, stock compensation and certain other costs. The operating results apply to each of SCC, SCCII and SunGard unless otherwise noted. The operating results for each segment follow (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Revenue:				
Financial systems	\$ 724	\$ 659	\$ 2,232	\$ 2,021
Higher education	125	121	389	372
Public sector	103	96	289	296
Software & processing solutions	952	876	2,910	2,689
Availability services	385	366	1,131	1,100
	\$ 1,337	\$ 1,242	\$ 4,041	\$ 3,789
Depreciation and amortization:				
Financial systems	\$ 20	\$ 22	\$ 58	\$ 61
Higher education	3	3	10	9
Public sector	2	2	6	7
Software & processing solutions	25	27	74	77
Availability services	49	46	141	143
	\$ 74	\$ 73	\$ 215	\$ 220
Income (loss) from operations:				
Financial systems	\$ 157	\$ 134	\$ 414	\$ 395
Higher education	33	28	95	90
Public sector	19	21	55	57
Software & processing solutions	209	183	564	542
Availability services	103	86	291	240
Corporate and other items ⁽¹⁾	(180)	(466)	(488)	(770)
Merger and other costs		(22)	(1)	(31)
	\$ 132	\$ (219)	\$ 366	\$ (19)
Cash paid for property and equipment and software:				
Financial systems	\$ 16	\$ 26	\$ 60	\$ 67
Higher education	2	5	6	9
Public sector	4	3	10	8

Software & processing solutions	22	34	76	84
Availability services	66	41	179	138
Corporate administration				1
	\$ 88	\$ 75	\$ 255	\$ 223

(1) Includes corporate administrative expenses, goodwill impairment charges, stock compensation expense, management fees paid to the Sponsors, other items and amortization of acquisition-related intangible assets of \$150 million and \$126 million for the three month periods ended September 30, 2009 and 2010, respectively, and \$404 million and \$371 million for the nine month periods ended September 30, 2009 and 2010, respectively.

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Amortization of acquisition-related intangible assets by segment follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Amortization of acquisition-related intangible assets:				
Financial systems	\$ 91 ⁽¹⁾	\$ 67 ⁽¹⁾	\$ 227 ⁽¹⁾	\$ 193 ⁽¹⁾
Higher education	8	8	25	25
Public sector	8	7	23	24
Software & processing solutions	107	82	275	242
Availability services	42	43	127	128
Corporate administration	1	1	2	1
	\$ 150	\$ 126	\$ 404	\$ 371

(1) Amortization of acquisition-related intangible assets in 2009 includes approximately \$16 million and \$10 million of impairment charges related to customer base and software, respectively, for subsidiaries in the FS segment.

Amortization of acquisition-related intangible assets in 2010 includes approximately \$1 million and \$2 million of impairment charges related to customer base and software, respectively, for subsidiaries in the FS segment.

The FS Segment is organized to align with customer-facing business areas. FS revenue by these business areas follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Trading Systems	\$ 169	\$ 94	\$ 633	\$ 328
Wealth Management	98	96	280	283
Capital Markets	72	82	203	237
Brokerage & Clearance	67	72	209	230
Global Trading	65	62	177	193
Institutional Asset Management Corporations	54	50	154	148
Banks	44	46	132	143
All other	39	44	110	125
	116	113	334	334
Total Financial Systems	\$ 724	\$ 659	\$ 2,232	\$ 2,021

9. Related Party Transactions:

In accordance with the Management Agreement between the Company and affiliates of the Sponsors, the Company recorded \$4 million of management fees in sales, marketing and administration expenses during each of the three months ended September 30, 2009 and 2010. In each of the nine month periods ended September 30, 2009 and 2010, the Company recorded \$11 million of management fees in sales, marketing and administration expenses. At each of December 31, 2009 and September 30, 2010, \$4 million was included in other accrued expenses.

10. Supplemental Guarantor Condensed Consolidating Financial Statements:

SunGard's senior notes are jointly and severally, fully and unconditionally guaranteed on a senior unsecured basis and the senior subordinated notes are jointly and severally, fully and unconditionally guaranteed on an unsecured senior subordinated basis, in each case, subject to certain exceptions, by substantially all wholly owned, domestic subsidiaries of SunGard (collectively, the Guarantors). Each of the Guarantors is 100% owned, directly or indirectly, by SunGard. None of the other subsidiaries of SunGard, either direct or indirect, nor any of the Holding Companies guarantee the senior notes and senior subordinated notes (Non-Guarantors). The Guarantors and SunGard Holdco LLC also unconditionally guarantee the senior secured credit facilities.

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The following tables present the financial position, results of operations and cash flows of SunGard (referred to as Parent Company for purposes of this note only), the Guarantor subsidiaries, the Non-Guarantor subsidiaries and Eliminations as of December 31, 2009 and September 30, 2010, and for the three- and nine-month periods ended September 30, 2009 and 2010 to arrive at the information for SunGard on a consolidated basis. SCC and SCCII are neither parties to nor guarantors of the debt issued as described in the notes to consolidated financial statements included in the Company's Form 10-K for the year ended December 31, 2009.

Supplemental Condensed Consolidating Balance Sheet**December 31, 2009**

(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Current:					
Cash and cash equivalents	\$ 126	\$ (9)	\$ 547	\$	\$ 664
Intercompany balances	(6,563)	5,787	776		
Trade receivables, net		734	402		1,136
Prepaid expenses, taxes and other current assets	2,017	77	417	(1,968)	543
Total current assets	(4,420)	6,589	2,142	(1,968)	2,343
Property and equipment, net	1	603	321		925
Intangible assets, net	164	3,756	614		4,534
Intercompany balances	961	(691)	(270)		
Goodwill		4,895	1,283		6,178
Investment in subsidiaries	13,394	2,490		(15,884)	
Total Assets	\$ 10,100	\$ 17,642	\$ 4,090	\$ (17,852)	\$ 13,980
Liabilities and Stockholder's Equity					
Current:					
Short-term and current portion of long-term debt	\$ 45	\$ 7	\$ 12	\$	\$ 64
Accounts payable and other current liabilities	272	2,901	1,079	(1,968)	2,284
Total current liabilities	317	2,908	1,091	(1,968)	2,348
Long-term debt	7,687	3	561		8,251
Intercompany debt	82	103	(31)	(154)	
Deferred income taxes	(53)	1,234	133		1,314
Total liabilities	8,033	4,248	1,754	(2,122)	11,913
Total stockholder's equity	2,067	13,394	2,336	(15,730)	2,067
Total Liabilities and Stockholder's Equity	\$ 10,100	\$ 17,642	\$ 4,090	\$ (17,852)	\$ 13,980

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**Supplemental Condensed Consolidating Balance Sheet
September 30, 2010**

(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Current:					
Cash and cash equivalents	\$ 192	\$ (8)	\$ 603	\$	\$ 787
Intercompany balances	(7,212)	6,421	791		
Trade receivables, net	1	683	310		994
Prepaid expenses, taxes and other current assets	2,277	81	455	(2,383)	430
Total current assets	(4,742)	7,177	2,159	(2,383)	2,211
Property and equipment, net		597	310		907
Intangible assets, net	142	3,456	575		4,173
Intercompany balances	277	(9)	(268)		
Goodwill		4,657	1,181		5,838
Investment in subsidiaries	13,880	2,505		(16,385)	
Total Assets	\$ 9,557	\$ 18,383	\$ 3,957	\$ (18,768)	\$ 13,129
Liabilities and Stockholder's Equity					
Current:					
Short-term and current portion of long-term debt	\$ 45	\$ 3	\$ 16	\$	\$ 64
Accounts payable and other current liabilities	207	3,259	923	(2,383)	2,006
Total current liabilities	252	3,262	939	(2,383)	2,070
Long-term debt	7,656	3	575		8,234
Intercompany debt	86	96	(35)	(147)	
Deferred income taxes	(46)	1,142	120		1,216
Total liabilities	7,948	4,503	1,599	(2,530)	11,520
Total stockholder's equity	1,609	13,880	2,358	(16,238)	1,609
Total Liabilities and Stockholder's Equity	\$ 9,557	\$ 18,383	\$ 3,957	\$ (18,768)	\$ 13,129

**Supplemental Condensed Consolidating Schedule of Operations
Three Months Ended September 30, 2009**

(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Total revenue	\$	\$ 842	\$ 520	\$ (25)	\$ 1,337

Costs and expenses:					
Cost of sales and direct operating		354	300	(25)	629
Sales, marketing and administration	23	137	106		266
Product development		44	42		86
Depreciation and amortization		54	20		74
Amortization of acquisition-related intangible assets	1	99	50		150
Merger costs					
	24	688	518	(25)	1,205
Income (loss) from operations	(24)	154	2		132
Net interest income (expense)	(141)	13	(32)		(160)
Other income (expense)	238	(55)	(15)	(183)	(15)
Income (loss) before income taxes	73	112	(45)	(183)	(43)
Benefit from (provision for) income taxes	(113)	126	(10)		3
Net income (loss)	\$ (40)	\$ 238	\$ (55)	(183)	\$ (40)

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Supplemental Condensed Consolidating Schedule of Operations						
Three Months Ended September 30, 2010						
(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated	
Total revenue	\$	\$	888	\$	396	\$ (42) \$ 1,242
Costs and expenses:						
Cost of sales and direct operating			382		228	(42) 568
Sales, marketing and administration	27		134		114	275
Product development			27		62	89
Depreciation and amortization			50		23	73
Amortization of acquisition-related intangible assets			102		24	126
Merger costs			239		91	330
	27		934		542	(42) 1,461
Income (loss) from operations	(27)	(46)		(146)		(219)
Net interest income (expense)	(146)	(81)		68		(159)
Other income (expense)	(265)	(39)		(10)	304	(10)
Income (loss) before income taxes	(438)	(166)		(88)	304	(388)
Benefit from (provision for) income taxes	60	(99)		49		10
Net income (loss)	\$ (378)	\$ (265)	\$ (39)	\$ 304	\$ (378)	

Supplemental Condensed Consolidating Schedule of Operations						
Nine Months Ended September 30, 2009						
(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated	
Total revenue	\$	\$	2,532	\$	1,579	\$ (70) \$ 4,041
Costs and expenses:						
Cost of sales and direct operating			1,091		978	(70) 1,999
Sales, marketing and administration	68		434		296	798
Product development			126		132	258
Depreciation and amortization			160		55	215
Amortization of acquisition-related intangible assets	2		302		100	404
Merger costs	1					1
	71		2,113		1,561	(70) 3,675

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Income (loss) from operations	(71)	419	18		366
Net interest income (expense)	(411)	36	(90)		(465)
Other income (expense)	402	(66)	6	(336)	6
Income (loss) before income taxes	(80)	389	(66)	(336)	(93)
Benefit from (provision for) income taxes	(1)	13			12
Net income (loss)	\$ (81)	\$ 402	\$ (66)	\$ (336)	\$ (81)

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**Supplemental Condensed Consolidating Schedule of Operations
Nine Months Ended September 30, 2010**

(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Total revenue	\$	\$ 2,670	\$ 1,237	\$ (118)	\$ 3,789
Costs and expenses:					
Cost of sales and direct operating		1,153	729	(118)	1,764
Sales, marketing and administration	77	427	332		836
Product development		83	195		278
Depreciation and amortization		155	65		220
Amortization of acquisition-related intangible assets	1	304	66		371
Merger costs		240	99		339
	78	2,362	1,486	(118)	3,808
Income (loss) from operations	(78)	308	(249)		(19)
Net interest income (expense)	(441)	(204)	168		(477)
Other income (expense)	(113)	(31)	4	144	4
Income (loss) before income taxes	(632)	73	(77)	144	(492)
Benefit from (provision for) income taxes	179	(186)	46		39
Net income (loss)	\$ (453)	\$ (113)	\$ (31)	\$ 144	\$ (453)

**Supplemental Condensed Consolidating Schedule of Cash Flows
Nine Months Ended September 30, 2009**

(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash Flow From Operations					
Net income (loss)	\$ (81)	\$ 402	\$ (66)	\$ (336)	\$ (81)
Non cash adjustments	(343)	451	138	336	582
Changes in operating assets and liabilities	(165)	(294)	322		(137)
Cash flow provided by (used in) operations	(589)	559	394		364
Investment Activities					
Intercompany transactions	923	(384)	(539)		
Cash paid for businesses acquired by the Company, net of cash acquired		(12)			(12)

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Cash paid for property and equipment and software		(182)	(73)	(255)
Other investing activities		1	2	3
Cash provided by (used in) investment activities	923	(577)	(610)	(264)
Financing Activities				
Net borrowings (repayments) of long-term debt	(833)	(7)	237	(603)
Other financing activities	(5)			(5)
Cash provided by (used in) financing activities	(838)	(7)	237	(608)
Effect of exchange rate changes on cash			12	12
Increase (decrease) in cash and cash equivalents	(504)	(25)	33	(496)
Beginning cash and cash equivalents	511	16	448	975
Ending cash and cash equivalents	\$ 7	\$ (9)	\$ 481	\$ 479

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Supplemental Condensed Consolidating Schedule of Cash Flows
Nine Months Ended September 30, 2010

(in millions)	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash Flow From Operations					
Net income (loss)	\$ (453)	\$ (113)	\$ (31)	\$ 144	\$ (453)
Non cash adjustments	174	636	210	(144)	\$ 876
Changes in operating assets and liabilities	(312)	398	(76)	\$	10
Cash flow provided by (used in) operations	(591)	921	103		433
Investment Activities					
Intercompany transactions	706	(704)	(2)	\$	
Cash paid for businesses acquired by the Company, net of cash acquired		(57)	(5)	\$	(62)
Cash paid for property and equipment and software	(1)	(167)	(55)	\$	(223)
Other investing activities	(1)	13	(2)	\$	10
Cash provided by (used in) investment activities	704	(915)	(64)		(275)
Financing Activities					
Net borrowings (repayments) of long-term debt	(43)	(5)	19	\$	(29)
Other financing activities	(4)			\$	(4)
Cash provided by (used in) financing activities	(47)	(5)	19		(33)
Effect of exchange rate changes on cash			(2)		(2)
Increase (decrease) in cash and cash equivalents	66	1	56		123
Beginning cash and cash equivalents	126	(9)	547	\$	664
Ending cash and cash equivalents	\$ 192	\$ (8)	\$ 603	\$	\$ 787

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

The following discussion and analysis supplement the management's discussion and analysis in the Company's Annual Report on Form 10-K for the year ended December 31, 2009 and presume that readers have read or have access to the discussion and analysis in that filing. The following discussion and analysis includes historical and certain forward-looking information that should be read together with the accompanying Consolidated Financial Statements, related footnotes, and the discussion below of certain risks and uncertainties that could cause future operating results to differ materially from historical results or from the expected results indicated by forward-looking statements. The following discussion reflects the results of operations and financial condition of SCC, which are materially the same as the results of operations and financial condition of SCCII and SunGard. Therefore, the discussions provided are applicable to each of SCC, SCCII and SunGard unless otherwise noted.

Table of Contents**Results of Operations:**

The following table sets forth, for the periods indicated, certain amounts included in our Consolidated Statements of Operations, the relative percentage that those amounts represent to consolidated revenue (unless otherwise indicated), and the percentage change in those amounts from period to period. Percentages may not add due to rounding.

	Three Months Ended September 30,		Three Months Ended September 30,		Percent Increase (Decrease) 2010 vs. 2009	Nine Months Ended September 30,		Nine Months Ended September 30,		Percent Increase (Decrease) 2010 vs. 2009
	2009	% of revenue	2010	% of revenue		2009	% of revenue	2010	% of revenue	
(in millions)										
Revenue										
Financial systems (FS)	\$ 724	54%	\$ 659	53%	(9)%	\$ 2,232	55%	\$ 2,021	53%	(9)%
Higher education (HE)	125	9%	121	10%	(3)%	389	10%	372	10%	(4)%
Public sector (PS)	103	8%	96	8%	(7)%	289	7%	296	8%	2%
Software & processing solutions	952	71%	876	71%	(8)%	2,910	72%	2,689	71%	(8)%
Availability services (AS)	385	29%	366	29%	(5)%	1,131	28%	1,100	29%	(3)%
	\$ 1,337	100%	\$ 1,242	100%	(7)%	\$ 4,041	100%	\$ 3,789	100%	(6)%
Costs and Expenses										
Cost of sales and direct operating	\$ 629	47%	\$ 568	46%	(10)%	\$ 1,999	49%	\$ 1,764	47%	(12)%
Sales, marketing and administration	266	20%	275	22%	3%	798	20%	836	22%	5%
Product development	86	6%	89	7%	3%	258	6%	278	7%	8%
Depreciation and amortization	74	6%	73	6%	(1)%	215	5%	220	6%	2%
Amortization of acquisition-related intangible assets	150	11%	126	10%	(16)%	404	10%	371	10%	(8)%
		%	330	27%	%	1	%	339	9%	33,800%

Goodwill
impairment
charges and
merger and
other costs

\$ 1,205 90% \$ 1,461 118% 21% \$ 3,675 91% \$ 3,808 101% 4%

**Income from
Operations**

Financial systems ⁽¹⁾ \$ 157 22% \$ 134 20% (15)% \$ 414 19% \$ 395 20% (5)%

Higher education ⁽¹⁾ 33 26% 28 23% (15)% 95 24% 90 24% (5)%

Public sector ⁽¹⁾ 19 18% 21 22% 11% 55 19% 57 19% 4%

Software & processing solutions ⁽¹⁾ 209 22% 183 21% (12)% 564 19% 542 20% (4)%

Availability services ⁽¹⁾ 103 27% 86 23% (17)% 291 26% 240 22% (18)%

Corporate administration (13) (1)% (18) (1)% 38% (40) (1)% (47) (1)% 18%

Amortization of acquisition-related intangible assets (150) (11)% (126) (10)% (16)% (404) (10)% (371) (10)% (8)%

Goodwill impairment charge % (328) (26)% % (328) (9)% %

Stock Compensation expense (8) (1)% (7) (1)% (13)% (22) (1)% (24) (1)% 9%

Merger and other costs and other items ⁽²⁾ (9) (1)% (9) (1)% % (23) (1)% (31) (1)% 35%

\$ 132 10% \$ (219) (18)% (266)% \$ 366 9% \$ (19) (1)% (105)%

(1) Percent of revenue is calculated as a percent of revenue from FS, HE, PS, Software and Processing Solutions, and AS,

respectively.

- (2) Merger costs and other items include merger costs, certain purchase accounting adjustments and management fees paid to the Sponsors, partially offset in each year by capitalized software development costs.

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The following table sets forth, for the periods indicated, certain supplemental revenue data, the relative percentage that those amounts represent to total revenue and the percentage change in those amounts from period to period. Percentages may not add due to rounding.

(in millions)	Three Months Ended September 30,		Three Months Ended September 30,		Percent Increase (Decrease)	Nine Months Ended September 30,		Nine Months Ended September 30,		Percent Increase (Decrease)	
	2009		2010		2010 vs. 2009	2009		2010		2010 vs. 2009	
	% of revenue		% of revenue			% of revenue		% of revenue			
Financial Systems											
Services	\$ 642	48%	\$ 599	48%	(7)%	\$ 2,027	50%	\$ 1,792	47%	(12)%	
License and resale fees	43	3%	37	3%	(14)%	106	3%	152	4%	43%	
Total products and services	685	51%	636	51%	(7)%	2,133	53%	1,944	51%	(9)%	
Reimbursed expenses	39	3%	23	2%	(41)%	99	2%	77	2%	(22)%	
	\$ 724	54%	\$ 659	53%	(9)%	\$ 2,232	55%	\$ 2,021	53%	(9)%	
Higher Education											
Services	\$ 102	8%	\$ 98	8%	(4)%	\$ 331	8%	\$ 307	8%	(7)%	
License and resale fees	20	1%	21	2%	5%	52	1%	60	2%	15%	
Total products and services	122	9%	119	10%	(2)%	383	9%	367	10%	(4)%	
Reimbursed expenses	3	%	2	%	(33)%	6	%	5	%	(17)%	
	\$ 125	9%	\$ 121	10%	(3)%	\$ 389	10%	\$ 372	10%	(4)%	
Public Sector											
Services	\$ 73	5%	\$ 71	6%	(3)%	\$ 211	5%	\$ 221	6%	5%	
License and resale fees	29	2%	24	2%	(17)%	75	2%	72	2%	(4)%	
Total products and services	102	8%	95	8%	(7)%	286	7%	293	8%	2%	

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Reimbursed expenses	1	%	1	%	%	3	%	3	%	%
	\$ 103	8%	\$ 96	8%	(7)%	\$ 289	7%	\$ 296	8%	2%
Software & Processing Solutions										
Services	\$ 817	61%	\$ 768	62%	(6)%	\$ 2,569	64%	\$ 2,320	61%	(10)%
License and resale fees	92	7%	82	7%	(11)%	233	6%	284	7%	22%
Total products and services	909	68%	850	68%	(6)%	2,802	69%	2,604	69%	(7)%
Reimbursed expenses	43	3%	26	2%	(40)%	108	3%	85	2%	(21)%
	\$ 952	71%	\$ 876	71%	(8)%	\$ 2,910	72%	\$ 2,689	71%	(8)%
Availability Services										
Services	\$ 381	28%	\$ 362	29%	(5)%	\$ 1,118	28%	\$ 1,088	29%	(3)%
License and resale fees	1	%		%	(100)%	3	%	1	%	(67)%
Total products and services	382	29%	362	29%	(5)%	1,121	28%	1,089	29%	(3)%
Reimbursed expenses	3	%	4	%	33%	10	%	11	%	10%
	\$ 385	29%	\$ 366	29%	(5)%	\$ 1,131	28%	\$ 1,100	29%	(3)%
Total Revenue										
Services	\$ 1,198	90%	\$ 1,130	91%	(6)%	\$ 3,687	91%	\$ 3,408	90%	(8)%
License and resale fees	93	7%	82	7%	(12)%	236	6%	285	8%	21%
Total products and services	1,291	97%	1,212	98%	(6)%	3,923	97%	3,693	97%	(6)%
Reimbursed expenses	46	3%	30	2%	(35)%	118	3%	96	3%	(19)%
	\$ 1,337	100%	\$ 1,242	100%	(7)%	\$ 4,041	100%	\$ 3,789	100%	(6)%

Table of Contents*Results of operations, excluding broker/dealer business*

We assess our performance both with and without one of our trading systems businesses, a broker/dealer with an inherently lower margin than our other software and processing businesses, whose performance is a function of market volatility and customer mix. By excluding the broker/dealer's results, we are able to perform additional analysis of our business which we believe is important in understanding the results of both the broker/dealer and the software and processing businesses. The information excluding the broker/dealer business is used by the Company for a variety of purposes, and we regularly communicate our results excluding this business to our board of directors.

The following is a reconciliation of revenue excluding the broker/dealer and income from operations excluding the broker/dealer, which are each non-GAAP measures, to the corresponding reported GAAP measures that we believe to be most directly comparable for the three- and nine-month periods ended September 30, 2009 and 2010 (in millions). While these adjusted results are useful for analysis purposes, they should not be considered as an alternative to our reported GAAP results.

	Three months ended September 30,			Nine months ended September 30,		
	2009	2010	% change	2009	2010	% change
Revenue						
Total	\$ 1,337	\$ 1,242	(7)%	\$ 4,041	\$ 3,789	(6)%
Less broker/dealer business	113	37		463	155	
Total excluding broker/dealer business	\$ 1,224	\$ 1,205	(2)%	\$ 3,578	\$ 3,634	2%
Financial Systems	\$ 724	\$ 659	(9)%	\$ 2,232	\$ 2,021	(9)%
Less broker/dealer business	113	37		463	155	
Financial Systems excluding broker/dealer business	\$ 611	\$ 622	2%	\$ 1,769	\$ 1,866	5%
Income from operations						
Total	\$ 132	\$ (219)	(266)%	\$ 366	\$ (19)	(105)%
Less broker/dealer business	7	(10)		30	(30)	
Total excluding broker/dealer business	\$ 125	\$ (209)	(267)%	\$ 336	\$ 11	(97)%
Financial Systems ⁽¹⁾	\$ 157	\$ 134	(15)%	\$ 414	\$ 395	(5)%
Less broker/dealer business	8	(10)		32	(20)	
Financial Systems excluding broker/dealer business	\$ 149	\$ 144	(3)%	\$ 382	\$ 415	9%

- (1) The Company evaluates the performance of its segments based on operating results before interest, income taxes, amortization of acquisition-related intangible assets, stock compensation and certain other costs.

Table of Contents**Three Months Ended September 30, 2010 Compared To Three Months Ended September 30, 2009****Income from Operations:**

Our total operating margin was -18% and 10% for the three months ended September 30, 2010 and 2009, respectively. The decrease in margin is primarily due to goodwill impairment charges in PS and HE in the third quarter of 2010 which totaled \$328 million (see note 2 of Notes to Consolidated Financial Statements) and a \$7 million decrease in software license fees.

Financial Systems:

The FS operating margin was 20% and 22% for the three months ended September 30, 2010 and 2009, respectively. The operating margin decline is primarily due to an increase in professional services expense, a \$5 million decrease in software license fees and the reduced contribution from one of our trading systems businesses, a broker/dealer.

Higher Education:

The HE operating margin was 23% and 26% for the three months ended September 30, 2010 and 2009, respectively. The operating margin decrease was primarily due to lower margins in managed services resulting from margin pressures on renewals and new business and commissions on recent sales ahead of recognition of the corresponding revenue, primarily in the software business, offset in part by an improvement in professional services margins due to higher utilization.

Public Sector:

The PS operating margin was 22% and 18% for the three months ended September 30, 2010 and 2009, respectively. The operating margin increase was due primarily to a \$4 million decrease in low-margin resale revenue coupled with higher margin maintenance and support revenue resulting from a shift from installation of products and systems to maintenance of those systems in our U.K. operation.

Availability Services:

The AS operating margin was 23% and 27% for the three months ended September 30, 2010 and 2009, respectively. The lower margin was driven by the lower mix of higher margin recovery services revenue which typically use shared resources, an increase in lower margin managed services revenue, which use dedicated resources, and an absolute decline in managed services margin due mainly to higher utility costs related to cooling due to warmer summer temperatures, increased employment-related and temporary staffing costs to increase focus on service delivery, and redundant network capacity.

Revenue:

Total revenue decreased \$95 million or 7% for the three months ended September 30, 2010 compared to the third quarter of 2009. Organic revenue decreased 6% in the third quarter of 2010 compared to the prior year period, due to a \$76 million decline in the broker/dealer revenue. Organic revenue is defined as revenue for businesses owned for at least one year and further adjusted for the effects of businesses sold in the previous twelve months and the impact of currency exchange rates.

Financial Systems:

FS revenue decreased \$65 million or 9% in the third quarter of 2010 from the prior year period. Organic revenue decreased 8% in the quarter. Excluding the broker/dealer business, organic revenue increased 3%. Professional services revenue increased organically by \$14 million or 10% due to a general increase in demand from existing clients as well as new projects. Processing revenue increased organically by \$10 million or 5% primarily due to existing customers adding additional products, client growth and certain higher trading volumes. Software rental revenue decreased organically by \$5 million or 5% primarily due to customer attrition. Revenue from license and resale fees included software license revenue of \$33 million, a decrease of \$5 million compared to the same quarter in 2009.

Higher Education:

HE revenue decreased \$4 million or 3%, all of which was organic, for the three months ended September 30, 2010 compared to the corresponding period in 2009. HE services revenue decreased \$4 million, primarily due to decreases in managed services revenue mainly resulting from customers bringing their IT solutions in-house, partially offset by increased software maintenance and support revenue due to sales of new licenses in the past 12 months and annual rate increases. Revenue from license and resale fees included software license revenue of \$7 million in the three

months ended September 30, 2010, a decrease of \$1 million from the prior year period.

Table of Contents*Public Sector:*

PS revenue decreased \$7 million or 7% for the three months ended September 30, 2010 compared to the corresponding period in 2009. Organic revenue decreased 4%. PS resale revenue and processing revenue decreased, partially offset by increased maintenance and support revenue primarily due to a shift from installation of products and systems to maintenance of those systems in the U.K. Revenue from license and resale fees included software license revenue of \$4 million, a decrease of \$2 million compared to the same quarter in 2009.

Availability Services:

AS revenue decreased \$19 million or 5% in the third quarter of 2010 from the prior year period. Organic revenue decreased 4% in the quarter. In North America, revenue decreased 5% overall and organically, where decreases in recovery services and professional services revenue exceeded growth in managed services. Most of our recovery services revenue is derived from tape-based solutions. The recovery services market has been shifting from tape-based solutions to disk-based and managed service solutions. We expect this market shift to continue in the future. Revenue in Europe decreased 5%, but organically was unchanged.

Costs and Expenses:

Cost of sales and direct operating expenses as a percentage of total revenue was 46% and 47% in the three-month periods ended September 30, 2010 and 2009, respectively, largely the result of the lower volumes of the broker/dealer business previously mentioned. Also impacting the period were lower costs related to the decrease in PS resale revenue and lower FS and HE employment-related expenses, partially offset by higher AS utility costs and higher AS and PS employment-related expenses.

Sales, marketing and administration expenses as a percentage of total revenue was 22% and 20% in the three-month periods ended September 30, 2010 and 2009, respectively. Increases in sales, marketing and administration expenses were primarily due to increases in FS and HE employment-related expense and professional services expenses, partially offset by decreases in PS and AS employment-related expenses. The increase in sales, marketing and administration expenses as a percentage of total revenue was also impacted by the lower volumes of the broker/dealer reducing total revenue.

Because AS product development costs are insignificant, it is more meaningful to measure product development expenses as a percentage of revenue from software and processing solutions. For the three months ended September 30, 2010 and 2009, product development costs were 10% and 9% of revenue from software and processing solutions, respectively.

Amortization of acquisition-related intangible assets as a percentage of total revenue was 10% and 11% in the three months ended September 30, 2010 and 2009, respectively. The \$24 million decrease is primarily due to a \$23 million reduction in impairment charges.

We recorded goodwill impairment charges of \$296 million in PS and \$32 million in HE in the three months ended September 30, 2010. For the three months ended September 30, 2010, HE managed services represented approximately 26% of HE revenue and 16% of HE income from operations, which excludes the impairment charge. See note 2 of Notes to Consolidated Financial Statements for further discussion.

Interest expense was \$160 million and \$165 million for the three months ended September 30, 2010 and 2009, respectively. The decrease in interest expense was due to reduced borrowings under our revolving credit facility, lower average debt outstanding and overall interest rate decreases.

Other expense was \$10 million and \$15 million for the three months ended September 30, 2010 and 2009, respectively, primarily a result of foreign currency transaction losses related to our Euro denominated term loan. The effective income tax rates for the three months ended September 30, 2010 and 2009 were a benefit of 3% and 7%, respectively. The rate in the third quarter of 2010 reflects nondeductible goodwill impairment partially offset by the different mix of taxable income in various jurisdictions as well as our ability to fully utilize foreign tax credits. The reported benefit from income taxes in 2009 includes a \$12 million favorable out of period adjustment primarily related to our utilization of foreign tax credit carryforwards from a prior year.

Accreted dividends on SCCII s cumulative preferred stock were \$51 million and \$46 million for the three months ended September 30, 2010 and 2009, respectively. No dividends have been declared by SCCII.

Table of Contents**Nine Months Ended September 30, 2010 Compared To Nine Months Ended September 30, 2009****Income from Operations:**

Our total operating margin was -1% for the nine months ended September 30, 2010, compared to 9% for the nine months ended September 30, 2009 primarily due to goodwill impairment charges in PS and HE in the third quarter of 2010 which totaled \$328 million (see note 2 of Notes to Consolidated Financial Statements), higher employment-related and professional services costs and the impact of the decline in revenue of the broker/dealer, partially offset by a \$44 million increase in license fees.

Financial Systems:

The FS operating margin was 20% and 19 % for the nine months ended September 30, 2010 and 2009, respectively. The operating margin improvement is primarily due to a \$47 million increase in software license fees, including the recognition of \$28 million of license fee backlog that existed at December 31, 2009, and reduced facilities costs, partially offset by increased employment-related cost and the impact of changes in currency exchange rates.

Higher Education:

The HE operating margin was 24% for each of the nine months ended September 30, 2010 and 2009. The \$5 million decrease in income from operations is mainly due to margin pressures on renewals and new business in managed services, partially offset by improved performance in the solutions business from higher license fee and maintenance revenue.

Public Sector:

The PS operating margin was 19% for each of the nine months ended September 30, 2010 and 2009. The \$2 million increase in income from operations is mainly due to improved performance in our UK operation.

Availability Services:

The AS operating margin was 22% and 26% for the nine months ended September 30, 2010 and 2009, respectively. The lower margin was driven by the lower mix of higher margin recovery services revenue, which typically use shared resources, and an absolute decline in recovery services margin due mainly to higher utility costs related to cooling due to warmer summer temperatures and redundant network capacity, and an increase in lower margin managed services revenue, which use dedicated resources, and an absolute decline in managed services margin due mainly to higher utility costs, increased employment-related and temporary staffing costs to increase focus on service delivery and redundant network capacity.

Revenue:

Total revenue decreased \$252 million or 6% for the nine months ended September 30, 2010 compared to the nine months ended September 30, 2009. Organic revenue decreased 6% in the nine months ended September 30, 2010 compared to the prior year period, primarily because of a \$308 million decline in the broker/dealer revenue, partially offset by a \$44 million increase in license fees. Excluding the broker/dealer business, organic revenue increased 1.5%.

Financial Systems:

FS revenue decreased \$211 million or 9% in the nine months ended September 30, 2010 from the prior year period. Organic revenue decreased 9% in the period. Excluding the broker/dealer business, organic revenue increased 6%. Professional services revenue increased organically by \$30 million or 8% due to a general increase in demand from existing clients as well as new projects. Processing revenue increased organically by \$19 million primarily or 3% primarily due to existing customers adding additional products and certain higher trading volumes. Revenue from license and resale fees included software license revenue of \$139 million, an increase of \$47 million compared to the same period in 2009, reflecting the recognition in 2010 of \$28 million that was in backlog at December 31, 2009.

Higher Education:

HE revenue decreased \$17 million or 4%, all of which was organic, for the nine months ended September 30, 2010 compared to the corresponding period in 2009. HE services revenue decreased \$24 million, primarily due to decreases in managed services revenue mainly resulting from customers bringing their IT solutions in-house and professional services mainly due to fewer and smaller-sized customer installations, partially offset by an increase in license fees and software support revenue due to sales of new licenses in the past 12 months and annual rate increases. Revenue from license and resale fees included software license revenue of \$23 million in the nine months ended September 30, 2010, an increase of \$5 million from the prior year period.

Table of Contents*Public Sector:*

PS revenue increased \$7 million or 2% for the nine months ended September 30, 2010 compared to the corresponding period in 2009. Organic revenue also increased 2%. Processing revenue and maintenance and support revenue improved during the nine months ended September 30, 2010 from the prior year period due to the impact of a multi-year contract signed during 2009. Professional services revenue decreased due to a shift from installation of products and systems to maintenance of those systems in the U.K. Revenue from license and resale fees included software license revenue of \$10 million, a decrease of \$8 million from the prior year period.

Availability Services:

AS revenue decreased \$31 million or 3% in the nine months ended September 30, 2010 from the prior year period. Organic revenue decreased 3% in the period. In North America, revenue decreased 4% overall and organically, where decreases in recovery services and professional services revenue exceeded growth in managed services. Most of our recovery services revenue is derived from tape-based solutions. The recovery services market has been shifting from tape-based solutions to disk-based and managed service solutions. We expect this market shift to continue in the future. Revenue in Europe increased 2% overall and organically.

Costs and Expenses:

Cost of sales and direct operating expenses as a percentage of total revenue was 47% and 49% in the nine-month periods ended September 30, 2010 and 2009, respectively, largely the result of the lower volumes of the broker/dealer business previously mentioned. Also impacting the period were higher AS and PS employment-related expenses and higher AS utility and equipment costs related to redundant network capacity, partially offset by lower HE employment-related expenses.

Sales, marketing and administration expenses as a percentage of total revenue was 22% and 20% in the nine-month periods ended September 30, 2010 and 2009, respectively. Increases in sales, marketing and administration expenses were primarily due to increases in FS and AS employment-related expense, FS professional services expenses, currency transaction losses and corporate advertising expenses, partially offset by reduced FS facility costs and PS employment-related expenses. The increase in sales, marketing and administration expenses as a percentage of total revenue was also impacted by the lower volumes of the broker/dealer reducing total revenue.

Because AS product development costs are insignificant, it is more meaningful to measure product development expenses as a percentage of revenue from software and processing solutions. For the nine months ended September 30, 2010 and 2009, product development costs were 10% and 9% of revenue from software and processing solutions, respectively.

Depreciation and amortization as a percentage of total revenue was 6% and 5% in the nine-month periods ended September 30, 2010 and 2009, respectively, primarily due to capital expenditures supporting FS and AS.

Amortization of acquisition-related intangible assets as a percentage of total revenue was 10% in each of the nine months ended September 30, 2010 and 2009. The \$33 million decrease is primarily due to a \$25 million reduction in impairment charges.

We recorded goodwill impairment charges of \$296 million in PS and \$32 million in HE in the three months ended September 30, 2010. For the nine months ended September 30, 2010, HE managed services represented approximately 27% of HE revenue and 26% of HE income from operations, which excludes the impairment charge. See note 2 of Notes to Consolidated Financial Statements for further discussion.

Merger and other costs are primarily costs incurred for the shutdown of the professional trading portion of the broker/dealer business. We expect to incur up to an additional \$2 million to \$4 million related to this shutdown during the remainder of 2010.

Interest expense was \$479 million and \$471 million for the nine months ended September 30, 2010 and 2009, respectively. The increase in interest expense was due primarily to interest rate increases mainly due to amending the term loan in 2009 and increased average borrowings under our receivables facility, partially offset by reduced borrowings under our revolving credit facility.

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Other income was \$4 million and \$6 million for the nine months ended September 30, 2010 and 2009, respectively. The decrease is primarily attributable to a \$4 million decrease in foreign currency transaction gains related to our Euro denominated term loan.

The effective income tax rates for the nine months ended September 30, 2010 and 2009 were a benefit of 8% and 13%, respectively. The rate in the nine months ended September 30, 2010 reflects nondeductible goodwill impairment partially offset by the different mix of taxable income in various jurisdictions as well as our ability to fully utilize foreign tax credits. The rate in the nine months ended September 30, 2009 reflects changes in the overall projected taxable position for the year and the expected mix of taxable income in various jurisdictions, and limitations on our ability to utilize certain foreign tax credits.

Accreted dividends on SCCII's cumulative preferred stock were \$147 million and \$132 million for the nine months ended September 30, 2010 and 2009, respectively. The increase in dividends is due to compounding. No dividends have been declared by SCCII.

Liquidity and Capital Resources:

At September 30, 2010, cash and equivalents were \$787 million, an increase of \$123 million from December 31, 2009. Cash flow provided by operations was \$432 million in the nine months ended September 30, 2010 compared to \$364 million in the nine months ended September 30, 2009. The increase in cash flow from operations is due primarily to the termination in December 2008 of our off-balance sheet accounts receivable securitization program, which reduced 2009 operating cash flow and a \$50 million tax refund received in the first quarter of 2010, partially offset by a decline in earnings before interest, taxes, depreciation and amortization (EBITDA as defined and calculated below).

Net cash used in investing activities was \$275 million in the nine months ended September 30, 2010, comprised of cash paid for property and equipment and other assets, two businesses acquired in our FS segment and one business acquired in our AS segment. Net cash used in investing activities was \$264 million in the nine months ended September 30, 2009, comprised of cash paid for property and equipment and other assets, one business acquired in each of our FS and PS segments and payment of a contingent purchase obligation.

Net cash used in financing activities was \$32 million for the nine months ended September 30, 2010, primarily related to quarterly principal payments on the term loans, partially offset by increased borrowings under our receivables facility. Net cash used in financing activities was \$608 million for the nine months ended September 30, 2009, primarily related to repayment at maturity of the \$250 million senior secured notes and repayment of \$500 million of borrowings under the revolving credit facility, partially offset by cash received from the new receivables facility (net of associated fees). At September 30, 2010, no amount was outstanding under the revolving credit facility and \$277 million was outstanding under the receivables facility, which represented the full amount available for borrowing based on the terms and conditions of the facility. In early 2010, we entered into interest rate swap agreements, with an aggregate notional amount of \$500 million, which expire in May 2013 under which we pay fixed interest payments (at 1.99%) for the term of the swaps and, in turn, receive variable interest payments based on three-month LIBOR.

On September 30, 2010, SunGard entered into an Amended and Restated Credit and Security Agreement (Agreement) related to its receivables facility. Among other things, the amendment (a) increased the borrowing capacity under the facility from \$317 million to \$350 million, (b) extended the maturity date to September 30, 2014, (c) removed the 3% LIBOR floor and set the interest rate to one-month LIBOR plus 3.5%, which at September 30, 2010 was 3.76%, and (d) amended certain terms.

At September 30, 2010, contingent purchase price obligations that depend upon the operating performance of certain acquired businesses could total \$15 million, all of which could be due in the next 12 months, but which we only expect to pay \$0.3 million. We also have outstanding letters of credit and bid bonds that total approximately \$48 million.

At September 30, 2010, we have outstanding \$8.30 billion in aggregate indebtedness, with additional borrowing capacity of \$796 million under the revolving credit facility (after giving effect to outstanding letters of credit). Of the \$829 million of revolving credit commitments (before giving effect to outstanding letters of credit), \$249 million will terminate on August 11, 2011. The remaining \$580 million will terminate on May 11, 2013.

We expect our available cash balances, cash flows from operations, combined with availability under the revolving credit facility and receivables facility, to provide sufficient liquidity to fund our current obligations, projected working capital requirements and capital spending for a period that includes at least the next 12 months.

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Adjusted EBITDA is used to determine compliance with certain covenants contained in the indentures governing SunGard's senior notes due 2013 and 2015 and senior subordinated notes due 2015 and in SunGard's senior secured credit facilities. Adjusted EBITDA is defined as EBITDA further adjusted to exclude certain adjustments permitted in calculating covenant compliance under the indentures and senior secured credit facilities. We believe that the inclusion of supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA are appropriate to provide additional information to investors to demonstrate compliance with the financing covenants.

The breach of covenants in SunGard's senior secured credit facilities that are tied to ratios based on Adjusted EBITDA could result in a default under that agreement and the lenders could elect to declare all amounts borrowed due and payable. Any such acceleration would also result in a default under the indentures. Additionally, under SunGard's debt agreements, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is also tied to ratios based on Adjusted EBITDA.

Adjusted EBITDA is calculated as follows (in millions):

	Three Months Ended		Nine Months Ended		Last Twelve Months
	September 30,		September 30,		September 30,
	2009	2010	2009	2010	2010
Net income (loss)	\$ (40)	\$ (378)	\$ (81)	\$ (453)	\$ (1,490)
Interest expense, net	160	159	465	477	642
Taxes	(3)	(10)	(12)	(39)	(100)
Depreciation and amortization	224	199	619	591	803
Goodwill impairment charge		328		328	1,454
EBITDA	341	298	991	904	1,309
Purchase accounting adjustments (a)	5	3	13	10	14
Non-cash charges (b)	8	9	25	30	42
Restructuring and other charges (c)	4	12	21	37	57
Acquired EBITDA, net of disposed EBITDA (d)	1		2	5	6
Pro forma expense savings related to acquisitions (d)	1	1	3	2	3
Other (e)	17	15	6	6	6
Adjusted EBITDA – senior secured credit facilities, senior notes due 2013 and 2015 and senior subordinated notes due 2015	\$ 377	\$ 338	\$ 1,061	\$ 994	\$ 1,437

(a) Purchase accounting adjustments include the adjustment of deferred revenue and lease reserves

to fair value at the date of the Transaction and for subsequent acquisitions made by the Company and certain acquisition-related compensation expense.

- (b) Non-cash charges include stock-based compensation and loss on the sale of assets.
- (c) Restructuring and other charges include debt refinancing costs, severance and related payroll taxes, reserves to consolidate certain facilities, settlements with former owners of acquired companies and certain other expenses associated with acquisitions made by the Company.
- (d) Pro forma adjustments represent the full-year impact of savings resulting from post-acquisition integration activities.
- (e) Other includes foreign currency translation gains or losses related to

debt denominated
in other than the
functional
currency,
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.

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The covenant requirements and actual ratios for the twelve months ended September 30, 2010 are as follows. All covenants are in compliance.

	Covenant Requirements	Actual Ratios
Senior secured credit facilities ⁽¹⁾		
Minimum Adjusted EBITDA to consolidated interest expense ratio	1.70x	2.46x
Maximum total debt to Adjusted EBITDA	6.25x	5.08x
Senior notes due 2013 and 2015 and senior subordinated notes due 2015 ⁽²⁾		
Minimum Adjusted EBITDA to fixed charges ratio required to incur additional debt pursuant to ratio provisions	2.00x	2.45x

(1) The senior secured credit facilities require us to maintain an Adjusted EBITDA to consolidated interest expense ratio starting at a minimum of 1.70x for the four-quarter period ended December 31, 2009 and increasing over time to 1.80x by the end of 2010 and to 2.20x by the end of 2013. Consolidated interest expense is defined in the senior secured credit facilities as consolidated cash interest expense less cash interest income further adjusted for certain non-cash or non-recurring

interest expense and the elimination of interest expense and fees associated with SunGard's receivables facility.

Beginning with the four-quarter period ending December 31, 2009, we are required to maintain a consolidated total debt to Adjusted EBITDA ratio of 6.25x and decreasing over time to 5.75x by the end of 2011 and to 4.75x by the end of 2013.

Consolidated total debt is defined in the senior secured credit facilities as total debt less certain indebtedness and further adjusted for cash and cash equivalents on our balance sheet in excess of \$50 million.

Failure to satisfy these ratio requirements would constitute a default under the senior secured credit facilities. If our lenders failed to

waive any such default, our repayment obligations under the senior secured credit facilities could be accelerated, which would also constitute a default under our indentures.

- (2) SunGard's ability to incur additional debt and make certain restricted payments under our indentures, subject to specified exceptions, is tied to an Adjusted EBITDA to fixed charges ratio of at least 2.0x, except that we may incur certain debt and make certain restricted payments and certain permitted investments without regard to the ratio, such as the ability to incur up to an aggregate principal amount of \$5.75 billion under credit facilities (inclusive of amounts outstanding under the senior

credit facilities from time to time; as of September 30, 2010, we had \$4.67 billion outstanding under the term loan facilities and available commitments of \$796 million under the revolving credit facility), to acquire persons engaged in a similar business that become restricted subsidiaries and to make other investments equal to 6% of our consolidated assets. Fixed charges is defined in the indentures governing the Senior Notes due 2013 and 2015 and the Senior Subordinated Notes due 2015 as consolidated interest expense less interest income, adjusted for acquisitions, and further adjusted for non-cash interest and the elimination of interest expense and fees associated with the receivables

facility.

Table of Contents**Certain Risks and Uncertainties**

Certain of the matters we discuss in this Report on Form 10-Q may constitute forward-looking statements. You can identify forward-looking statements because they contain words such as believes, expects, may, will, should, approximately, intends, plans, estimates, or anticipates or similar expressions which concern our strategy, plans and 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. Some of the factors that we believe could affect our results include: our high degree of leverage; general economic and market conditions; the condition of the financial services industry, including the effect of any further consolidation among financial services firms; the integration of acquired businesses, the performance of acquired businesses, and the prospects for future acquisitions; 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 clearing broker operations; the ability to retain and attract customers and key personnel; risks relating to the foreign countries where we transact 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; and a material weakness in our internal controls. The factors described in this paragraph and other factors that may affect our business or future financial results are discussed in our filings with the Securities and Exchange Commission, including this Form 10-Q. We assume no obligation to update any written or oral forward-looking statement made by us or on our behalf as a result of new information, future events or other factors.

Item 3. Quantitative and Qualitative Disclosures about Market Risk:

We do not use derivative financial instruments for trading or speculative purposes.

At September 30, 2010, we had total debt of \$8.30 billion, including \$4.94 billion of variable rate debt. We have entered into interest rate swap agreements which fix the interest rates for \$3.25 billion of our variable rate debt. Swap agreements that expire in February 2011 with a notional value of \$800 million effectively fix our interest rates at 5.00%. Swap agreements expiring in February 2011 with a notional value of \$750 million effectively fix our interest rates at 3.17%. Swap agreements expiring in February 2012 with a notional value of \$1.2 billion effectively fix our interest rates at 1.78%. Swap agreements expiring in May 2013 with a notional value of \$500 million effectively fix our interest rates at 1.99%. Our remaining variable rate debt of \$1.70 billion is subject to changes in underlying interest rates, and, accordingly, our interest payments will fluctuate. During the period when all of our interest rate swap agreements are effective, a 1% change in interest rates would result in a change in interest of approximately \$17 million per year. Upon the expiration of each interest rate swap agreement in February 2011, February 2012 and May 2013, a 1% change in interest rates would result in a change in interest of approximately \$32 million, \$44 million and \$49 million per year, respectively.

Item 4T. Controls and Procedures:

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this Report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this Report were effective.

No change in our internal control over financial reporting occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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Part II Other Information:

Item 1. Legal Proceedings: None.

Item 1A. Risk Factors: There have been no material changes to SCC s, SCCII s or SunGard s Risk Factors as previously disclosed in their Form 10-K for the year ended December 31, 2009.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds: None.

Item 3. Defaults Upon Senior Securities: None.

Item 4. (Removed and Reserved)

Item 5. Other Information:

(a) None.

(b) None.

Item 6. Exhibits:

Number	Document
10.1	Form of Indemnification Priority and Information Sharing Agreement dated October 28, 2010 among each Sponsor and its affiliated funds and SunGard Capital Corp., SunGard Capital Corp. II, SunGard Holding Corp., SunGard Holdco LLC and SunGard Data Systems Inc.
12.1	Computation of Ratio of Earnings to Fixed Charges.
31.1	Certification of Cristóbal Conde, Chief Executive Officer of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. required by Rule 13a-14(a) or Rule 15d-14(a) and Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Robert F. Woods, Chief Financial Officer of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. required by Rule 13a-14(a) or Rule 15d-14(a) and Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Cristóbal Conde, Chief Executive Officer of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. required by Rule 13a-14(b) or Rule 15d-14(b) and Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Robert F. Woods, Chief Financial Officer of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. required by Rule 13a-14(b) or Rule 15d-14(b) and Section 906 of the Sarbanes-Oxley Act of 2002.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SUNGARD CAPITAL CORP.
SUNGARD CAPITAL CORP. II**

Dated: October 29, 2010

By: /s/ Robert F. Woods
Robert F. Woods
Executive Vice President and Chief Financial
Officer
(Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SUNGARD DATA SYSTEMS INC.

Dated: October 29, 2010

By: /s/ Robert F. Woods
Robert F. Woods
Senior Vice President-Finance and Chief
Financial Officer
(Principal Financial Officer)

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Exhibit Index

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Exhibit 10.1

FORM OF
INDEMNIFICATION PRIORITY AND
INFORMATION SHARING AGREEMENT

This INDEMNIFICATION PRIORITY AND INFORMATION SHARING AGREEMENT, dated as of October 28, 2010 (this Agreement), is among (i) [_____] (the Sponsor), a [_____] limited partnership and the manager of the funds set forth on Annex 1 (each a Fund and collectively, the Funds), on the one hand, and (ii) SunGard Capital Corp., a Delaware corporation, SunGard Capital Corp. II, a Delaware corporation, SunGard Holding Corp., a Delaware Corporation, SunGard Holdco LLC, a Delaware limited liability company and SunGard Data Systems Inc., a Delaware corporation (each a SunGard Company and collectively, the SunGard Companies), on the other hand. WHEREAS, one or more of the SunGard Companies have entered into one or more monitoring, stockholder, management, indemnification or other agreements (any such agreement or agreements, collectively, the Company Indemnification Agreements) providing for, among other things, the indemnification of expenses and other losses and advancement of expenses incurred by the Funds, the Sponsor and their respective principals, directors, officers, members, managers, partners, affiliates and controlling persons for certain matters described therein (the Funds, the Sponsor and their respective principals, directors, officers, members, managers, partners, affiliates and controlling persons, collectively, the Sponsor Indemnified Parties);

WHEREAS, one or more executives of the Sponsor or its affiliates may serve as a director or member of the board of managers of one or more of the SunGard Companies and one or more other persons (who are not executives of the Sponsor or its affiliates) may serve as a director or member of the board of managers of one or more of the SunGard Companies as an appointee or designee of the Fund or the Sponsor (any such person or persons, the Sponsor Directors);

WHEREAS, the Sponsor Directors may have entered into indemnification agreements with one or more of the SunGard Companies providing for indemnification and advancement of expenses for the Sponsor Directors in connection with their service as a director or member of the board of managers of such SunGard Company and the Sponsor Directors may, in their capacities as a director or member of the board of managers of such SunGard Company, be indemnified and/or entitled to advancement of expenses under such SunGard Company's certificate or articles of incorporation, by-laws, limited liability company operating agreement, limited partnership agreement or other organizational documents or policies of insurance procured by any SunGard Company (each such indemnification agreement, organizational document or insurance policy, a Company Director Indemnity);

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WHEREAS, the Funds, the Sponsor and/or their respective affiliates and controlling persons (in this capacity, collectively, the Sponsor Indemnitors) have (i) entered into one or more limited partnership agreements, limited liability company operating agreements and other agreements, (ii) certificates and articles of incorporation, by-laws, and other organizational documents and (iii) obtained insurance (any such agreements, documents or insurance, collectively, the Sponsor Indemnification Agreements), in each case, providing for, among other things, indemnification of and advancement of expenses for the Sponsor Directors for, among other things, the same matters that are subject to indemnification and advancement of expenses under the Company Indemnification Agreements and any Company Director Indemnity;

WHEREAS, the SunGard Companies benefit from the portfolio company oversight provided by the Sponsor and the ability of the Sponsor to share internally portfolio company information; and

WHEREAS, each of the SunGard Companies and the Sponsor wish to clarify certain matters regarding the indemnification and advancement of expenses provided under the Company Indemnification Agreements and any Company Director Indemnity as it relates to the indemnification and advancement of expenses provided for under the Sponsor Indemnification Agreements and regarding portfolio company information.

NOW, THEREFORE, in consideration of the foregoing recitals and the premises hereinafter set forth, each of the SunGard Companies and the Sponsor hereby agree as follows:

1. Each SunGard Company hereby acknowledges and agrees that the obligation of such SunGard Company under either any Company Indemnification Agreements or any Company Director Indemnity to indemnify or advance expenses to any Sponsor Director for the matters covered thereby shall be the primary source of indemnification and advancement of such Sponsor Director in connection therewith and any obligation on the part of any Sponsor Indemnitor under any Sponsor Indemnification Agreement to indemnify or advance expenses to such Sponsor Director shall be secondary to such SunGard Company's obligation and shall be reduced by any amount that the Sponsor Director may collect as indemnification or advancement from such SunGard Company. In the event that such SunGard Company fails to indemnify or advance expenses to a Sponsor Director as required or contemplated by any Company Indemnification Agreement or Company Director Indemnity (such amounts, the Unpaid Director Indemnity Amounts) and any Sponsor Indemnitor makes any payment to or on behalf of such Sponsor Director in respect of indemnification or advancement of expenses under any Sponsor Indemnification Agreement on account of such Unpaid Director Indemnity Amounts, then such Sponsor Indemnitor shall be subrogated to the rights of such Sponsor Director under any Company Indemnification Agreement or Company Director Indemnity, as the case may be, in respect of such Unpaid Director Indemnity Amounts.
2. Each SunGard Company hereby agrees that, to the fullest extent permitted by applicable law, its obligation to indemnify Sponsor Indemnified Parties under the Company Indemnification Agreements shall include any amounts expended by any Sponsor Indemnitor under the Sponsor Indemnification Agreements in respect of indemnification or advancement of expenses to any Sponsor Director in connection with litigation or other proceedings involving his or her service as a director or member of the board of managers of such SunGard Company to the extent such amounts expended by such Sponsor Indemnitor are on account of any Unpaid Director Indemnity Amounts.

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3. Each SunGard Company hereby agrees that it will not amend any Company Director Indemnity as in effect on the date hereof to alter the rights of any Sponsor Director in any manner that would alter any Sponsor Director's rights with respect to conduct pre-dating the date of any such amendment without the consent of the Sponsor.
4. Each SunGard Company hereby acknowledges and agrees that the right to share confidential information set forth in the first proviso of Section 11.10 of the Stockholders Agreement shall also apply to the sharing by the Sponsor Directors of any information such as Sponsor Directors receive from the SunGard Companies.
5. To the maximum extent permitted or authorized by any Company Director Indemnity, no Sponsor Director shall be liable to any SunGard Company, or to any shareholder, member or partner (or equivalent) of any SunGard Company or to any party bringing any action by, on behalf of or in the name or right of any SunGard Company, for any breach of fiduciary duty or other breach of duty.
6. Except as otherwise provided herein, this Agreement may be amended or modified only by a writing executed by the Sponsor and each of the SunGard Companies.
7. The provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto. Each Sponsor Indemnified Party that is not a party hereto shall be considered an express third-party beneficiary hereunder and shall be entitled to enforce this Agreement to the same extent as a party hereunder. The rights, indemnities and remedies herein provided are cumulative and are not exclusive of any rights, indemnities or remedies that any party or other Sponsor Indemnified Party may otherwise have by contract, at law or in equity or otherwise, provided that (i) to the extent that any Sponsor Indemnified Party is entitled to be indemnified by any SunGard Company and by any other Sponsor Indemnified Party or any insurer under a policy procured by any Sponsor Indemnified Party, the obligations of such SunGard Company hereunder shall be primary and the obligations of such other Sponsor Indemnified Party or insurer secondary and (ii) no SunGard Company shall be entitled to contribution or indemnification from or subrogation against such other Sponsor Indemnified Party.
8. To the extent that any term or condition of this Agreement conflicts with any term or condition under any other agreement or document to which any SunGard Company or any Sponsor Indemnified Party or Sponsor Director is a party or by which any of them are otherwise bound with respect to the subject matter of this Agreement, the terms and conditions of this Agreement shall control. Each SunGard Company hereby waives the right to enforce any rights under such other agreement to the extent that such rights or remedies conflict with any rights, remedies or other provisions hereunder.
9. This Agreement clarifies the parties' understandings regarding the indemnification and advancement rights and obligations under the Company Indemnification Agreements and any Company Director Indemnity as it relates to the indemnification and advancement rights and obligations under the Sponsor Indemnification Agreements. This Agreement does not expand, limit or otherwise modify any such rights or obligations and any and all rights to indemnification and/or advancement to which any Sponsor Director has ever been, is or may in the future be entitled from any SunGard Company shall remain unchanged by this Agreement.

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10. No SunGard Company shall seek any order of a court or other governmental authority that would prohibit or otherwise interfere with the performance of any other SunGard Company's advancement, indemnification and other obligations under this Agreement.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware regardless of the law that might be applied under principles of conflict of laws to the extent such principles would require or permit the application of the laws of another jurisdiction. No suit, action or proceeding with respect to this Agreement may be brought in any court or before any similar authority other than in a court of competent jurisdiction in the State of Delaware, and the parties hereto hereby submit to the exclusive jurisdiction of such courts for the purpose of such suit, proceeding or judgment. Each party irrevocably waives trial by jury in any legal action or proceeding in relation to this Agreement and for any counterclaim therein.

12. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

13. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. A signature of a party transmitted by facsimile or other electronic means shall constitute an original for all purposes.

[remainder of page intentionally left blank]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth in the first paragraph hereof.

Sponsor:

[Sponsor Management Company]

By: [_____, its [_____
_____]

By:

Name:

Title:

[Signature Page to Indemnification Priority Agreement]

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SunGard Companies:

SunGard Capital Corp.

By:

Name:

Title:

SunGard Capital Corp. II

By:

Name:

Title:

SunGard Holding Corp.

By:

Name:

Title:

SunGard Holdco LLC

By:

Name:

Title:

SunGard Data Systems Inc.

By:

Name:

Title:

[Signature Page to Indemnification Priority Agreement]

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ANNEX 1 FUNDS
[list applicable funds]

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SunGard Capital Corp.
SunGard Capital Corp. II
SunGard Data Systems Inc.
Computation of Ratio of Earnings to Fixed Charges (Unaudited)
(\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2010	2009	2010
Fixed charges				
Interest expense	\$ 151	\$ 149	\$ 433	\$ 446
Amortization of debt issuance costs and debt discount	11	11	31	33
Portion of rental expense representative of interest	20	20	60	59
Total fixed charges	\$ 182	\$ 180	\$ 524	\$ 538
Earnings				
Income (loss) before income taxes	\$ (43)	\$ (388)	\$ (93)	\$ (492)
Fixed charges per above	182	180	524	538
Total earnings	\$ 139	\$ (208)	\$ 431	\$ 46
Ratio of earnings to fixed charges	*	*	*	*

* Earnings for the three months ended September, 2009 and 2010 and for the nine months ended September 30, 2009 and 2010 were inadequate to cover fixed charges by \$43 million, \$388 million, \$93 million and \$492 million,

respectively.

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Exhibit 31.1

**Certification of Cristóbal Conde
Required by Rule 13a-14(a) or Rule 15d-14(a) and
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Cristóbal Conde, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. (collectively, registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2010

/s/ Cristóbal Conde

Cristóbal Conde
President and Chief Executive Officer
SunGard Capital Corp., SunGard Capital Corp. II
& SunGard Data Systems Inc.

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Exhibit 31.2

**Certification of Robert F. Woods
Required by Rule 13a-14(a) or Rule 15d-14(a) and
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Robert F. Woods, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. (collectively, registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2010

/s/ Robert F. Woods

Robert F. Woods
Chief Financial Officer
SunGard Capital Corp., SunGard Capital Corp. II
& SunGard Data Systems Inc.

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Exhibit 32.1

**Certification of Cristóbal Conde
Required by Rule 13a-14(b) or Rule 15d-14(b) and
Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C.(S) 1350, as adopted), I, Cristóbal Conde, Chief Executive Officer of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. (collectively, the Company), hereby certify that to my knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2010 (the Periodic Report) fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 29, 2010

/s/ Cristóbal Conde

Cristóbal Conde
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. and will be retained by SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

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Exhibit 32.2

**Certification of Robert F. Woods
Required by Rule 13a-14(b) or Rule 15d-14(b) and
Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C.(S) 1350, as adopted), I, Robert F. Woods, Chief Financial Officer of SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. (collectively, the Company), hereby certify that to my knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2010 (the Periodic Report) fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 29, 2010

/s/ Robert F. Woods

Robert F. Woods
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. and will be retained by SunGard Capital Corp., SunGard Capital Corp. II and SunGard Data Systems Inc. and furnished to the Securities and Exchange Commission or its staff upon request.