

22 August 2022

Thank you for your interest in Commvault HyperScale X, a scale-out and integrated storage and data protection solution.

Organizations in the financial industry may be required to comply with certain regulations for storing data electronically, such as SEC Rule 17a-4, FINRA Rule 4511(c) and CFTC Regulation 1.31(c)-(d). These regulations require long-term preservation of data stored on electronic media in a non-rewritable and non-erasable format.

To help meet these requirements, Commvault HyperScale X storage and Commvault Backup and Recovery software can be used together to create immutable data sets. By configuring and applying a Write Once Read Many (WORM) Backup policy, backed up data is unable to be modified or deleted, can be configured for long-term retention, and is easily recovered at any time

Enclosed in this response, please find a third-party attestation of Commvault's ability to provide immutable storage through the use of WORM backup policies in Commvault Hyperscale X and Commvault Backup and Recovery software.

We are available to answer any other storage or data protection concerns you may have.

Signed

CISO *Javier Dominguez*



**To:** Commvault Executive Management

**Subject:** SEC Rule 17a Electronic Storage of Broker-Dealer Records

**Date:** 2022-08-09

**Scope:** Commvault HyperScale™X compliance as it relates to SEC Rule 17a

**Opinion:** All conditions met

The SEC Rule 17, CFR 240.17a-4, pertains to the Storage of Broker-Dealer Records and the preservation and storage of such records. Commvault management has retained Audit Liaison to review the Commvault HyperScaleX product to determine its appropriateness as electronic storage media per CFR § 240.17a-3 and 240.17a-4. Specifically, Audit Liaison's responsibility was to determine whether HyperScaleX meets the conditions set forth in paragraph 240.17a-4 (f)(2)(ii)

In this section, electronic storage media must:

- Preserve the records exclusively in a non-rewriteable, non-erasable format;
- Verify automatically the quality and accuracy of the storage media recording process;
- Serialize the original and, if applicable, duplicate units of storage media, and time-date for the required period of retention the information placed on such electronic storage media; and
- Have the capacity to readily download indexes and records preserved on the electronic storage media to any medium acceptable under this paragraph (f) as required by the Commission or the self-regulatory organizations of which the member, broker, or dealer is a member.

Under same section (CFR 240.17a-4 (f)(2)(i)), if a member, broker, or dealer is employing electronic storage media other than optical disk technology, they must provide representation to their examining authority of the appropriateness of the media to meet the above conditions. Audit Liaison is serving as the "third-party with appropriate expertise" to offer representation of the compliance to the above conditions.

To determine compliance with the conditions in the above-mentioned section, Audit Liaison met with individuals of appropriate technical competence and control ownership. Evidence of compliance including screenshots of systems and walkthroughs of processes was reviewed by an assessor with appropriate technical expertise to make the below determination.

**Opinion:**

It is the opinion of the assessor that as of the date listed on this attestation, that Commvault HyperScaleX meets the conditions set forth in CFR 240.17a-4 (f)(2)(ii).

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