



NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Anthony J. Albanese
Acting Superintendent

July 22, 2015

David Gurle
Chief Executive Officer
Symphony Communication Services LLC
555 College Avenue
Palo Alto, CA 94306

RE: Products Marketed by Symphony Communication Services

Dear Mr. Gurle:

In recent years, there has been a series of market manipulation schemes at Wall Street banks, including those to rig benchmark interest and foreign exchange rates. Key evidence that regulators used to uncover and investigate those schemes was found in chat room transcripts and other written communications retained by the banks. As you may know, banks have a legal obligation under New York law to retain records of their operations.

Recently, several of the world's largest banks and financial companies have stated their intention to use new tools for instant messaging and other employee communications created by Symphony Communication Services LLC. A number of the banks that our Department regulates¹ – including those under investigation for rate-rigging schemes – have invested in this technology and are likely to begin using it in the near future.

¹ Bank of New York Mellon, Credit Suisse, Deutsche Bank, and Goldman Sachs

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We write to request information regarding the communications tools marketed by Symphony Communication Services LLC, including those related to their document retention capabilities, policies, and features. Specific areas of interest for our Department include but are not limited to the data deletion,² end-to-end-encryption,³ and open source⁴ features of your products.

We will also be following up imminently with our regulated institutions on these issues. We will require that banks regulated by the Department provide information on how they intend to use Symphony products, including: which Symphony products they will use; what personnel will be using these products; whether these products will be used in conjunction with or to the exclusion of other instant messaging and other communications services; how they will ensure that messages created using Symphony products will be retained; whether they intend to use Symphony's data deletion capabilities; whether their use of Symphony's encryption technology can be used to prevent review by compliance personnel or regulators; how they intend to utilize Symphony's open source capabilities; and how they intend to prevent their employees from misuse of these open source capabilities, such as to circumvent compliance controls and regulatory review.

We thank you in advance for your prompt attention to this matter and look forward to scheduling a meeting to discuss these issues as soon as possible. Please do not hesitate to contact us with any questions you may have.

Sincerely,



Anthony J. Albanese
Acting Superintendent of Financial Services

² Your marketing materials state under the heading "Guaranteed Data Deletion" that "Symphony has designed a specific set of procedures to guarantee that data deletion is permanent and fully documented. We also delete content on a regular basis in accordance with customer data retention policies."

³ Your marketing materials state: "Symphony is completely private. Your data is 100% protected by encryption keys known only by you, never by us."

⁴ A news release your company issued stated that you intend to "allow certain key components of the platform's software to be freely used, changed and shared by anyone via the use of an open-source licensing model."