



Financial products Markup Language

FpML - Variance Swaps Component Definitions

Version: 4.3

This Version:

<http://www.fpml.org/spec/fpml-4-3-10-rec-1>

Latest Version:

<http://www.fpml.org/spec/fpml-4-3-10-rec-1>

Previous Version:

<http://www.fpml.org/spec/fpml-4-3-9-tr-1/>

Errata For This Version:

<http://www.fpml.org/spec/fpml-4-3-10-rec-1/html/fpml-4-3-errata.html>

Document built

Copyright (c) 1999 - 2007 by International Swaps and Derivatives Association, Inc.

Financial Products Markup Language is subject to the FpML® Public License.

FpML® is a registered trademark of the International Swaps and Derivatives Association, Inc.

A copy of this license is available at <http://www.fpml.org/license/license.html>

The FpML specifications provided are without warranty of any kind, either expressed or implied, including, without limitation, warranties that FpML, or the FpML specifications are free of defects, merchantable, fit for a particular purpose or non-infringing. The entire risk as to the quality and performance of the specifications is with you. Should any of the FpML specifications prove defective in any respect, you assume the cost of any necessary servicing or repair. Under no circumstances and under no legal theory, whether tort (including negligence), contract, or otherwise, shall ISDA, any of its members, or any distributor of documents or software containing any of the FpML specifications, or any supplier of any of such parties, be liable to you or any other person for any indirect, special, incidental, or consequential damages of any character including, without limitation, damages for loss of goodwill, work stoppage, computer failure or malfunction, or any and all other commercial damages or losses, even if such party shall have been informed of the possibility of such damages.

Table Of Contents

1	Global Complex Types	5
1.1	VarianceAmount	6
1.1.1	Description:	6
1.1.2	Contents:	6
1.1.3	Used by:	6
1.1.4	Derived Types:	6
1.1.5	Figure:	6
1.1.6	Schema Fragment:	6
1.2	VarianceLeg	7
1.2.1	Description:	7
1.2.2	Contents:	7
1.2.3	Used by:	7
1.2.4	Derived Types:	7
1.2.5	Figure:	7
1.2.6	Schema Fragment:	7
1.3	VarianceSwap	8
1.3.1	Description:	8
1.3.2	Contents:	8
1.3.3	Used by:	8
1.3.4	Derived Types:	8
1.3.5	Figure:	8
1.3.6	Schema Fragment:	8
2	Global Elements	9
2.1	varianceSwap	10
2.1.1	Description:	10
2.1.2	Contents:	10
2.1.3	Used by:	10
2.1.4	Substituted by:	10
2.1.5	Figure:	10
2.1.6	Schema Fragment:	10
3	Schema listing	11

1 Global Complex Types

1.1 VarianceAmount

1.1.1 Description:

Calculation of a Variance Amount.

1.1.2 Contents:

Inherited element(s): (This definition inherits the content defined by the type CalculatedAmount)

- An abstract base class for all calculated money amounts, which are in the currency of the cash multiplier of the calculation.

variance (exactly one occurrence; of the type Variance) Specifies Variance.

1.1.3 Used by:

- Complex type: VarianceLeg

1.1.4 Derived Types:

1.1.5 Figure:



1.1.6 Schema Fragment:

```
<xsd:complexType name="VarianceAmount">
  <xsd:annotation>
    <xsd:documentation xml:lang="en">
      Calculation of a Variance Amount.
    </xsd:documentation>
  </xsd:annotation>
  <xsd:complexContent>
    <xsd:extension base="CalculatedAmount">
      <xsd:sequence>
        <xsd:element name="variance" type="Variance">
          <xsd:annotation>
            <xsd:documentation xml:lang="en">
              Specifies Variance.
            </xsd:documentation>
          </xsd:annotation>
        </xsd:element>
      </xsd:sequence>
    </xsd:extension>
  </xsd:complexContent>
</xsd:complexType>
```

1.2 VarianceLeg

1.2.1 Description:

A type describing return which is driven by a Variance Calculation.

1.2.2 Contents:

Inherited element(s): (This definition inherits the content defined by the type DirectionalLegUnderlyerValuation)

- An abstract base class for all directional leg types with effective date, termination date, and underlyer, where a payer makes a stream of payments of greater than zero value to a receiver.

amount (exactly one occurrence; of the type VarianceAmount) Specifies, in relation to each Equity Payment Date, the amount to which the Equity Payment Date relates. Unless otherwise specified, this term has the meaning defined in the ISDA 2002 Equity Derivatives Definitions.

1.2.3 Used by:

- Complex type: VarianceSwap

1.2.4 Derived Types:

1.2.5 Figure:



1.2.6 Schema Fragment:

```
<xsd:complexType name="VarianceLeg">
  <xsd:annotation>
    <xsd:documentation xml:lang="en">
      A type describing return which is driven by a Variance
      Calculation.
    </xsd:documentation>
  </xsd:annotation>
  <xsd:complexContent>
    <xsd:extension base="DirectionalLegUnderlyerValuation">
      <xsd:sequence>
        <xsd:element name="amount" type="VarianceAmount">
          <xsd:annotation>
            <xsd:documentation xml:lang="en">
              Specifies, in relation to each Equity Payment Date, the
              amount to which the Equity Payment Date relates. Unless
              otherwise specified, this term has the meaning defined in
              the ISDA 2002 Equity Derivatives Definitions.
            </xsd:documentation>
          </xsd:annotation>
        </xsd:element>
      </xsd:sequence>
    </xsd:extension>
  </xsd:complexContent>
</xsd:complexType>
```

1.3 VarianceSwap

1.3.1 Description:

A Variance Swap modelled using a single netted leg.

1.3.2 Contents:

Inherited element(s): (This definition inherits the content defined by the type NettedSwapBase)

- An abstract base class for all swap types which have a single netted leg, such as Variance Swaps, and Correlation Swaps.

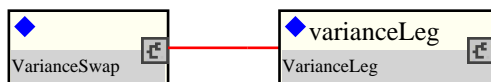
varianceLeg (exactly one occurrence; of the type VarianceLeg) Variance Leg.

1.3.3 Used by:

- Element: varianceSwap

1.3.4 Derived Types:

1.3.5 Figure:



1.3.6 Schema Fragment:

```
<xsd:complexType name="VarianceSwap">
  <xsd:annotation>
    <xsd:documentation xml:lang="en">
      A Variance Swap modelled using a single netted leg.
    </xsd:documentation>
  </xsd:annotation>
  <xsd:complexContent>
    <xsd:extension base="NettedSwapBase">
      <xsd:sequence>
        <xsd:element name="varianceLeg" type="VarianceLeg">
          <xsd:annotation>
            <xsd:documentation xml:lang="en">
              Variance Leg.
            </xsd:documentation>
          </xsd:annotation>
        </xsd:element>
      </xsd:sequence>
    </xsd:extension>
  </xsd:complexContent>
</xsd:complexType>
```


2 Global Elements

2.1 varianceSwap

2.1.1 Description:

Specifies the structure of a variance swap.

2.1.2 Contents:

Element varianceSwap is defined by the complex type VarianceSwap

2.1.3 Used by:

2.1.4 Substituted by:

2.1.5 Figure:



2.1.6 Schema Fragment:

```
<xsd:element name="varianceSwap" type="VarianceSwap" substitutionGroup="product">
  <xsd:annotation>
    <xsd:documentation xml:lang="en">
      Specifies the structure of a variance swap.
    </xsd:documentation>
  </xsd:annotation>
</xsd:element>
```

3 Schema listing

```
<xsd:schema ecore:nsPrefix="fpml" ecore:package="org.fpml" ecore:documentRoot="FpML" targetNameSpace="http://www.fpml.org/FpML-4" >
  <xsd:include schemaLocation="fpml-eq-shared-4-3.xsd"/>
  <xsd:complexType name="VarianceAmount">
    <xsd:annotation>
      <xsd:documentation xml:lang="en">
        Calculation of a Variance Amount.
      </xsd:documentation>
    </xsd:annotation>
    <xsd:complexContent>
      <xsd:extension base="CalculatedAmount">
        <xsd:sequence>
          <xsd:element name="variance" type="Variance">
            <xsd:annotation>
              <xsd:documentation xml:lang="en">
                Specifies Variance.
              </xsd:documentation>
            </xsd:annotation>
          </xsd:element>
        </xsd:sequence>
      </xsd:extension>
    </xsd:complexContent>
  </xsd:complexType>
  <xsd:complexType name="VarianceLeg">
    <xsd:annotation>
      <xsd:documentation xml:lang="en">
        A type describing return which is driven by a Variance
        Calculation.
      </xsd:documentation>
    </xsd:annotation>
    <xsd:complexContent>
      <xsd:extension base="DirectionalLegUnderlyerValuation">
        <xsd:sequence>
          <xsd:element name="amount" type="VarianceAmount">
            <xsd:annotation>
              <xsd:documentation xml:lang="en">
                Specifies, in relation to each Equity Payment Date, the
                amount to which the Equity Payment Date relates. Unless
                otherwise specified, this term has the meaning defined
                in the ISDA 2002 Equity Derivatives Definitions.
              </xsd:documentation>
            </xsd:annotation>
          </xsd:element>
        </xsd:sequence>
      </xsd:extension>
    </xsd:complexContent>
  </xsd:complexType>
  <xsd:complexType name="VarianceSwap">
    <xsd:annotation>
      <xsd:documentation xml:lang="en">
        A Variance Swap modelled using a single netted leg.
      </xsd:documentation>
    </xsd:annotation>
    <xsd:complexContent>
      <xsd:extension base="NettedSwapBase">
        <xsd:sequence>
          <xsd:element name="varianceLeg" type="VarianceLeg">
            <xsd:annotation>
              <xsd:documentation xml:lang="en">
                Variance Leg.
              </xsd:documentation>
            </xsd:annotation>
          </xsd:element>
        </xsd:sequence>
      </xsd:extension>
    </xsd:complexContent>
  </xsd:complexType>
  <xsd:element name="varianceSwap" type="VarianceSwap" substitutionGroup="product">
    <xsd:annotation>
      <xsd:documentation xml:lang="en">
        Specifies the structure of a variance swap.
      </xsd:documentation>
    </xsd:annotation>
  </xsd:element>
</xsd:schema>
```