



Commonly asked questions About F3 SDK

Q WHAT IS F3 SDK?

FINCAD's latest product offering, F3 SDK, is a software developer kit that allows companies to embed FINCAD Analytics into their systems. F3 SDK was designed to provide software developers, quantitative analysts and other finance professionals with the ability to price complex deals and greatly reduce the effort and time to add new derivative products to an organization's systems, processes and workflow.

Using its ability to generically represent the fundamental constructs of the trade, F3 SDK allows users to value virtually any kind of trade. In addition to the value, F3 SDK allows the user to calculate the first order risk for all market data inputs and dependent variables that the trade or portfolio is exposed to. These risk measures, along with the ability to easily evaluate value and risk across arbitrary market scenarios, can be used by companies as part of their risk management programs.

The F3 SDK provides APIs to the multi platform object-oriented financial analytics library which is multi-threaded and grid enabled. The result of this architecture is better performance and scalability.

Q HOW DOES F3 SDK WORK?

Instead of using one function to handle the valuation of each instrument completely, as it is done in the FINCAD Analytics Suite for Developers product, F3 SDK's object oriented design separates the description of a financial product, the market data, model and the numerical method used for valuation, and allows them to be combined at the users discretion to perform valuations. The enormous flexibility inherent in this approach means that virtually any financial contract can be handled by F3 SDK out of the box.

F3 SDK also enforces future-proofing since the core functionality is presented through powerful abstractions that remain constant even as model and trade complexity in-

creases. End-user functionality, such as report generation, does not have to be constantly updated to handle new trade types or modeling approaches.

Q WHAT IS THE GENERIC TRADE REPRESENTATION IN F3 SDK?

FINCAD Financial Framework, the technology behind F3 SDK, is based on the concept that if you can identify the core set of fundamental constructs that are used when forming financial contracts, you can price virtually anything. F3 SDK represents the financial contract as specified in a term sheet. Traditional approaches to adding new financial products to analytics libraries are highly resource intensive. With F3 SDK, FINCAD has made a major contribution to reducing the effort required to achieve this.

F3 SDK was designed to allow the user to map their trade representation onto the internal trade representation in the FINCAD Financial Framework. The trade description language allows the system to understand contracts and then generate a calculation automatically, virtually eliminating the need for a skilled, and therefore costly, person to do this for you. Using the generic trade description language means products can be described and managed without programming and provides organizations with the ability to rapidly integrate FINCAD's analytics using F3 SDK.

Q WHAT KIND OF PRICING AND RISK ANALYTICS TO DO I GET WITH F3 SDK?

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F3 SDK also provides the ability to easily generate multiple market and other modeling scenarios, providing end-users with the comprehensive risk analysis they demand.



Q WHAT PLATFORMS DOES THE F3 SDK WORK ON?

The F3 SDK was designed to be truly multiplatform – fully supported on Windows, Linux and Solaris environments. The library was not ported into the different platforms, but was built and tested from a single code base. The multiplatform approach means that the delay between releasing on various platforms is minimized, and products and models defined on one platform can be re-used on any other supported platform running the same version of F3 SDK. This approach also enables software vendors to release new derivatives coverage faster.

Q HOW DO YOU ACCESS THE ANALYTICS LIBRARY THROUGH THE F3 SDK?

F3 SDK provides simple object oriented APIs for C++ and Java that works on all platforms. A C# API, using .NET technology, is supported on Windows. This generic interface is designed to make it easy to integrate into your applications so you can concentrate on the financial analytics.

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