

## **FPL (FIX Protocol Ltd.) and ISDA (International Swaps and Derivatives Association) Agreed to Join Efforts in the Development of their Respective Protocols**

**September 12, 2003-** FIX Protocol Ltd. (FPL), developer of the FIX protocol, and the International Swaps and Derivatives Association, developer of the Financial Product Markup Language (FpML), recognize that both organizations – as well as users of FIX and FpML – can benefit by each organization leveraging the work of the other. The organizations have therefore agreed to share information and experience as they continue to develop their respective protocols.

As the FIX 4.4 Specification allows for inclusion of an FpML product description in its instrument component block, FPL and ISDA will work together to provide a common set of guidelines to ensure the integrity of both protocols and to promote common industry practice. Additionally, FPL and ISDA will collaborate on the creation of the FIX 4.4 FIXML Schema to ensure standards exist for the inclusion of FpML 4.0 Schema definitions within a FIXML Schema message.

The FpML 4.0 Specification introduces a messaging architecture to support the business processes required for OTC derivative-related transactions. A number of these processes are identical or similar to the business processes required by the instruments and transactions supported by the FIX Protocol. FPL and ISDA will therefore work to create a common set of processes for transactions that apply to both FIX and FpML supported instruments. This will ensure that users who elect to implement FpML within a FIX infrastructure and users who implement FpML within its own messaging framework will have common process models and messages to enable standard industry practice.

Both organizations will continue their ongoing support of each others efforts to enhance and maintain separate protocols that serve the specific needs of their respective user communities. This support includes open sharing of information and experience that each organization has accumulated in its own efforts that may benefit the other organization's endeavors. FPL and ISDA agree that such cooperation can only further the abilities of both organizations to provide pragmatic, real-world solutions to the challenges faced by their respective user communities.

### **About FIX Protocol Ltd.**

FIX Protocol Ltd. is a non-profit organisation that owns the intellectual property rights of the Financial Information eXchange protocol (FIX), which is provided free in the public domain. FIX is a globally recognized messaging standard enabling the electronic communication of pre-trade and trade messages between financial institutions, primarily investment managers, broker/dealers, ECNs and stock exchanges. For more information, see [www.fixprotocol.org](http://www.fixprotocol.org).

### **About FpML**

FpML is the business information exchange standard for electronic dealing and processing of financial derivatives instruments. It establishes the industry protocol for sharing information on, and dealing in, financial swaps, derivatives and structured products over the Internet. It is based on XML (Extensible Markup Language), the standard meta-language for describing data shared between applications. FpML will eventually cover all categories of privately negotiated derivatives. Information about the

FpML standard, the specifications and the different working groups can be found on the FpML web site: [www.fpml.org](http://www.fpml.org).

### **About ISDA**

ISDA is the global trade association representing leading participants in the privately negotiated derivatives industry. ISDA was chartered in 1985, and today has more than 600 member institutions from 46 countries on six continents. These members include most of the world's major institutions that deal in privately negotiated derivatives, as well as many of the businesses, governmental entities and other end users that rely on over-the-counter derivatives to manage efficiently the financial market risks inherent in their core economic activities. Information about ISDA and its activities is available on the Association's web site: [www.isda.org](http://www.isda.org).

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