$$NPV = \sum_{i=1}^{n} NK\tau(t_{i-1}, t_i) D(t, t_i) - (1 - D(t, t_n))$$

$$= \sum_{i=1}^{n} NK\tau(t_{i-1}, t_i) D(t, t_i) - \sum_{i=1}^{n} NF_t(t_{i-1}, t_i)\tau(t_{i-1}, t_i) D(t, t_i)$$

$$S = \frac{1 - D(t, t_n)}{\sum_{i=1}^{n} K\tau(t_{i-1}, t_i) D(t_{i-1}, t_i)}$$

$$F_t(t_{i-1}, t_i) = \left[\frac{D(t, t_{i-1})}{D(t, t_i)} - 1\right]\frac{1}{\tau}$$

$$\tau = \tau(t_{i-1}, t_i)$$