CONTENTS

5
8
13
23
35
49
)
67
72

	The Price of Default John Hull and Alan White of the University of Toronto and A-J Financial Systems	79
6	Pricing Default Risk: The Interest Rate Swap Example Eric H. Sorensen and Thierry F. Bollier of Salomon Brothers and Long-Term Capital Management	85
	INTEGRATED APPROACHES TO CREDIT RISK	
7	Measuring Credit Risk and Required Capital Douglas J. Lucas of Salomon Swapco Inc	99
8	Integrated Credit Risk Measurement Robert M. Mark of CIBC	109
9	Integrated Risk Management James C. Lam of FGIC Capital Market Services Group	141
	NEW STRUCTURES: OTC CLEARING AND DERIVATIVE PRODUCT COMPANIES	
10	Multilateral Netting and the OTC Clearing House Concept Evrard Van Hertsen of Renaissance Software	159
11	Structuring Derivative Product Companies: Risks and Safeguards Reza Bahar and Mark Gold of Standard & Poor's	173
12	Evaluating Derivative Product Companies Daniel A. Curry, Jeremy A. Gluck, William L. May and Alan C. Backman of Moody's Investors Service	189
Apį	Appendices 20	
Glo	ossary	209
ind	ex	213