

Contents

Foreword: Wherefore ART Thou? The Importance of Principle-Based Structured Finance	xi
Tom Skwarek, <i>Swiss Re Capital Solutions</i>	
Preface	xv
PART ONE	
<hr/>	
Integrated Risk and Capital Management	
CHAPTER 1	
Real and Financial Capital	3
CHAPTER 2	
Risk and Risk Management	22
CHAPTER 3	
Leverage	40
CHAPTER 4	
Adverse Selection and Corporate Financing Decisions	62
CHAPTER 5	
Capital Budgeting, Project Selection, and Performance Evaluation	76
CHAPTER 6	
Risk Transfer	108

CHAPTER 7	
Risk Finance	122
PART TWO	
<hr/>	
Traditional Risk Transfer	
CHAPTER 8	
Insurance	137
CHAPTER 9	
Reinsurance	179
CHAPTER 10	
Credit Insurance and Financial Guaranties	199
CHAPTER 11	
Derivatives	223
CHAPTER 12	
Credit Derivatives and Credit-Linked Notes	247
PART THREE	
<hr/>	
Structured Finance	
CHAPTER 13	
The Structuring Process	269
CHAPTER 14	
Hybrids, Convertibles, and Structured Notes	295
CHAPTER 15	
Contingent Capital	320
CHAPTER 16	
Securitization	340

CHAPTER 17	
Cash Collateralized Debt Obligations	375
CHAPTER 18	
Synthetic Collateralized Debt Obligations	390
CHAPTER 19	
Structured Synthetic Hybrids	411
CHAPTER 20	
Securitizing Private Equity and Hedge Funds	419
CHAPTER 21	
Project and Principal Finance	443
PART FOUR	
<hr/>	
Structured Insurance and Alternative Risk Transfer	
CHAPTER 22	
Risk Securitizations and Insurance-Linked Notes	487
CHAPTER 23	
Captives, Protected Cells, and Mutuals	523
CHAPTER 24	
Finite Risk	546
CHAPTER 25	
Multiline and Multitriple Insurance Structures	577
CHAPTER 26	
Contingent Cover	609

PART FIVE**Case and Issue Studies****CHAPTER 27****The Emerging Role of Patent Law in Risk Finance 621**

J. B. Heaton, *Bartlit Beck Herman Palenchar & Scott*

CHAPTER 28**Critical Distinctions between Weather Derivatives and Insurance 639**

Andrea S. Kramer, *McDermott Will & Emery*

CHAPTER 29**Is Insurance a Substitute for Capital under the Revised Basel Accord? 653**

Barbara T. Kavanagh

CHAPTER 30**Is My SPE a VIE under FIN46R, and, If So, So What? 662**

J. Paul Forrester, *Mayer Brown Rowe & Maw*, and
Benjamin S. Neuhausen, *BDO Seidman*

CHAPTER 31**Credit Derivatives, Insurance, and CDOs: The Aftermath of Enron 672**

Alton B. Harris, *Ungaretti & Harris*, and
Andrea S. Kramer, *McDermott Will & Emery*

CHAPTER 32**Project Finance Collateralized Debt Obligations: What? Why? Now? 689**

J. Paul Forrester, *Mayer Brown Rowe & Maw*

CHAPTER 33**2004 Review of Trends in Insurance Securitization: Exploring Outside the Cat Box 698**

Morton N. Lane and Roger Beckwith, *Lane Financial*

CHAPTER 34**Enterprise Risk Management: The Case of United Grain Growers 744**

Scott E. Harrington and Greg Niehaus, *University of South Carolina*, and Kenneth J. Risko, *Willis Risk Solutions*

CHAPTER 35	
Representations and Warranties Insurance and Other Insurance Products Designed to Facilitate Corporate Transactions	764
Theodore A. Boundas and Teri Lee Ferro, <i>Boundas, Skarzynski, Walsh & Black</i>	
APPENDIXES	
<hr/>	
APPENDIX A	
Capital Structure Irrelevance	779
APPENDIX B	
Risk-Based Capital Regulations on Financial Institutions	788
APPENDIX C	
Risk Capital	801
Commonly Used Abbreviations	827
Notes	829
References	856
Index	869

<http://www.pbookshop.com>