

# Systematic risk modelisation in credit risk insurance

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## Abstract

The purpose of this paper is to propose a realistic and operational model to quantify the systematic risk in credit risk insurance. The model presented is built on the basis of classical credit risk model in which the joint laws of the risk factors become non gaussian. We discuss also the way to take into account the ability for the insurer to mitigate the risk.

KEYWORDS: Credit risk, NORTA method, default probability.

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