

**ASSUMPTION UNIVERSITY  
MARTIN DE TOURS SCHOOL OF MANAGEMENT  
DEPARTMENT OF FINANCE AND BANKING  
SYLLABUS 1/2010**

**Course Title:** FIN 4841 RISK AND CREDIT MANAGEMENT

**Prerequisite:** FIN 3711 Investment

**Lecturers:** A. Watsakorn Thepthim  
Email: finABAC@yahoo.co.th

**Martin de Tours School of Management's Vision and Mission**

**Vision:**

To be the leading international business school in the ASEAN region providing high quality business education to enable graduates to make invaluable contributions to organization and society.

**Mission:**

To shape our students into independent-minded graduates who are well-versed in business, able to communicate effectively, tech savvy, innovative, and ethical to successfully face global challenges.

**Course Description:**

The course emphasizes on the roles and responsibilities of financial institutions in analyzing and structuring credit as well as restructuring problem loans. The course also covers credit and risk management techniques for financial and non-financial institutions.

**Course Objectives:**

Upon the completion of this course, students should gain knowledge on the following matters:

- Design risk management program with increased transparency to satisfy shareholders and stakeholders
- Introduce best practice risk policies and methodologies and associated risk infrastructure
- Implement and efficiently communicate and organization-wide Enterprise Risk Management (ERM) approach that encompass market, credit , liquidity, operational, legal and regulatory, business, strategic, and reputation risks
- Understand complex areas of risk management and its mythology and infrastructure
- Efficiently allocate limited corporate resources to comply with the new regulation of risk regulation and corporate governance regulations

**References:**

- **The Essentials of Risk Management**, *Crouchy, Galai, & Mark*, McGraw Hill, 2005
- **Risk Intelligence**, *Apgar*, Harvard Business School Press, 2006
- **Operational risk : regulation, analysis and management**, *Alexander*, Prentice Hall, 2003
- **Integrated Risk Management: techniques and strategies for reducing risk**, *Doherty*, McGraw Hill, 2005

<b>Mark Allocation*:</b>	Midterm examination	40%
	Assignments and quizzes	10%
	Project	10%
	Final examination	<u>40%</u>
	Total	<u>100%</u>

**Note:** \* See also classroom policies

**Only non-programmable calculators are allowed in the examinations.**

**Topics Outline:**

<b>Topics</b>	<b>Tentative Dates</b>
1 Risk Management	Jun 05
2 Corporate Risk Management	Jun 05
3 Banks and Their Regulators	Jun 12
4 Corporate Governance and Risk Management	Jun 19
5 Theory of Risk and Return	Jun 19
Interest Rates Risk and Hedging	Jul 10
7 Market Risk	Jul 17
<b>MIDTERM: July 21, 2010 (15:00 – 17:00), Huamak Campus</b>	
8 Asset-Liability Management	Aug 07
9 Credit Scoring and Retail Credit Risk Management	Aug 14
10 Commercial Credit Risk and Rating of Individual Credit	Aug 21
11 Measuring Credit Risk – New Measures	Aug 28
12 New Ways to Transfer Credit Risk and Their Implications	Sep 04
13: Operational Risks	Sep 11
14: Model Risk	Sep 18
15: Risk Capital Attribution and Risk-Adjusted Performance Measurement	Sep 18
<b>FINAL: September 24, 2010 (9:00 – 12:00), Huamak Campus</b>	

**Classroom Policies:**

- **Students need to comply with AU Dress Code, Time Conflict Examination Regulations, Laws on Smoking Cigarette, and Restrictions on Foods and Drinks V10.1, June 2010.**
- **Attendance policies:**
  - [2 times of ten-minute late for class considered as 1 absence.](#)
  - Make-up classes are not allowed.
  - 80% attendance is strictly required regardless of any reason.
  - No checking attendance for other classmates. Violation of the policies will result in being automatically withdrawn from the class.
  - [Attendance is counted since the first day of class regardless of any reason.](#)
- **Manner in class:**
  - Behave in a polite manner
  - Pay respect to instructors and class participants
  - Turn off all communication devices
  - Do not leave and re-enter the classroom
  - Prohibited manners: Eating, drinking, chatting, talking on the phone, text-messaging, sleeping, reading other materials, doing other subjects' assignments/homework, walking in-out, etc.
  - [Improper behavior will result in no attendance checked.](#)
- **Dress code:**
  - Follow AU dress code
  - [Improper dress code will result in no attendance checked.](#)
- **Class assignments (Homework, reports, project, presentation, paper, etc.):**
  - [No Plagiarism.](#)
  - The students copying works from all sources will be penalized – “Zero” marks or “F” grade.
  - Hand in all class assignment on time, both soft copy and hard copy.
  - [Late submission will NOT be graded.](#)
- **Class participation:**
  - Be participative and attentive in class
  - The students are also required to comply with all classroom policies.
  - Violation of the classroom policies will result in [“zero” or “negative” participation marks and/or no attendance checked.](#)
- **Request for make-up quizzes (if applicable):**
  - The students requesting for the make-up quizzes need to submit their names with valid evidence (ABAC related issues only) to the respective lecturer within the specified dates.
  - [Late submission will NOT be allowed to take the make-up quizzes.](#)

- **Grade inquiry:**

- The students can request for a review for their marks or grades.
- The students need to submit petition to the respective Chairperson at D6 or MSM2 within 2 weeks after their marks or grades have been officially announced. Petition submitted after the specified period will NOT be considered.
- **Reevaluation process:** The students' class assignments or exam answer scripts will be reevaluated by the internal committees assigned by the respective department. Please note that the students' marks may or may not be adjusted after the reevaluation process and it is considered as a "final consensus" between the students and the committees.

**August 27, 2010: Last day to withdraw with "W"**

**(Withdrawing after this date, the students need Chairperson's approval.)**