



MOS4316B 570
Financial Risk Management
Winter 2026

Instructor: Dr. Grigori Erenburg
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Course Information

Mode of Instruction: In Person

Calendar Description:

This course studies best practices in financial risk management and financial institution regulation. It explores market, credit, liquidity, model, climate, cyber, and operational risk.

Pre-requisite(s): MOS 3310A/B.

Extra Information: 3 lecture hours.

Course Weight: 0.50

Breadth: CATEGORY A

Subject Code: MOS

Notice: Unless you have either the requisites for this course (fulfilment of pre-requisites, no anti-requisite conflicts), or special permission from your Dean to enrol in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.



MOS 4316B: Financial Risk Management
Section 570
Winter 2026

Instructor: Grigori Erenburg
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Monday 11:30 AM - 12:30 PM, Tuesday 3:00 – 4:00 PM, or by appointment

Course Description

This course studies best practices in financial risk management and financial institution regulation. It explores market, credit, liquidity, model, climate, cyber, and operational risk (subject to time availability).

Learning Outcomes

By the end of the semester, successful students will be able to:

- describe types of risks financial markets pose to various kinds of financial institutions
- explain how those risks are affected by common regulatory structures
- demonstrate how financial risk management is applied to measuring and managing various types of financial risk

Prerequisites

MOS 3310A/B

Antirequisite

None

Unless you have either the requisites for this course or written special permission from the Dean to enroll in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

Class Format

Most of the class time will be structured in the traditional lecture format. You are expected to have read the assigned material before class. Your participation and questions are strongly encouraged.

Required Materials

Risk Management and Financial Institutions, 6th Edition, by John C. Hull (Wiley ISBN: 978-1-119-93248-2). To access online version of the textbook available free of charge for Western students follow [the link](#).

Additional Materials

The Wall Street Journal or other financial newspapers or sources (off-line or online).

Grading

The grading will be based on curve. The following assignments and exams will constitute your grade for the course.

Academic Integrity Tutorial	pass
Mid-Term	35%
Final Exam	35%
Team Projects (Excel)	20%
Quizzes (weekly)	10%

- The students will not be allowed to pass the course without passing [Academic Integrity Tutorial](#) and submitting Academic Integrity Certificate.
- The final will be cumulative.
- I will drop the quiz with the lowest score (for example, I will take the best 8 out of 9 quizzes) when calculating the total mark for the quizzes.
- Academic consideration for midterm requires submission of formal supporting documentation.
- If an emergency occurs that requires academic consideration, instructor must be notified immediately, **via email**. In addition, documentation must be submitted by the student directly to the Academic Dean's Office. Once the petition and supporting documents have been received and assessed, appropriate academic accommodation shall be determined by the Dean's Office in consultation with the student's instructor. For medical emergencies, please refer to the [Policy on Accommodation for Medical Illness](#).

Learning Management System OWL Brightspace

I will use OWL Brightspace throughout the course to post your homework assignments, classroom handouts, as well as exam dates and project deadlines.

Participation and Attendance

Regular class attendance and participation is vital to the learning process and is required. Students should come to class prepared enough to effectively participate. Students are asked not to come to class late or leave early.

According to the School of MEM policy, missing 25% of scheduled classes is too frequent. A warning email will be issued at the 20% point, and if absences continue, the instructor will implement the King's attendance policy below:

"A student may be debarred from writing the final exam for failure to maintain satisfactory academic standing throughout the year. Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course, will be reported to the Dean of the Faculty offering the course, after due warning has been given. On the recommendation of the department concerned, and with the permission of the Dean of that Faculty, the student will be debarred from taking the regular examination in the course."

Academic Misconduct

- Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of [what constitutes a Scholastic Offence](#).

- Within this course, use of artificial intelligence (AI) tools such as ChatGPT is not permitted for written work submitted for evaluation. Unauthorized use of AI will be subject to academic discipline.

Students' Counseling and Support Services

Please visit the [web site](#) for Registrar's Service at King's University College, and Counselling and Student Development Services.

Please note that this syllabus is a tentative schedule for the course. All items including grading, assignments and material to be covered are tentative and subject to change. All the changes in schedule and deadlines will be announced in class in advance. Students are responsible for learning about these changes.

Topics List

Jan 5, 7	Chapter 1 Introduction: Risk-Return Trade-offs 1
	Part 2: Financial Markets
Jan 12, 14	Chapter 5 Financial Instruments
Jan 19, 21	Chapter 8 Volatility
Jan 26, 28	Chapter 9 Correlations and Copulas
	Part 3: Market Risk
Feb 2, 4	Chapter 11 Value at Risk and Expected Shortfall
Feb 9, 11	Chapter 12 Historical Simulation and Extreme Value Theory
Feb 16, 18	<i>Reading Week</i>
Feb 23	Midterm (<i>make-up is Friday, March 6, requires my explicit permission</i>)
Feb 25, March 2	Chapter 14 Interest Rate Risk
March 4, 9	Chapter 16 Scenario Analysis and Stress Testing
	Part 4: Credit Risk
March 11, 16	Chapter 17 Estimating Default Probabilities
	Part 5: Other Risks
March 18	Chapter 20 Operational Risk
March 23	Chapter 21 Liquidity Risk
March 25	Chapter 22 Model Risk
March 30	Chapter 23 Climate Risk, ESG, and Sustainability
April 1	Chapter 24 Enterprise Risk Management
April 6, 8	Consultation week: review sessions

KING'S UNIVERSITY COLLEGE

GENERAL COURSE POLICIES

2025-2026

1. Academic Accommodations, Consideration for Absences

Academic Accommodation (Accessibility)

Accessibility Services works to ensure that academic programs are accessible to all students, and supports students who may have a condition related to, but not limited to, vision, hearing, mobility, different ways of learning, mental health, chronic illnesses, chronic pain, autism spectrum disorder, ADD/ADHD, and temporary conditions (beyond short-term academic consideration). Accessibility Services provides recommendations for accommodation based on medical documentation or psychological and cognitive assessment. The accommodation policy can be found here [Academic Accommodation for Students with Disabilities](#). Information on Accessibility Services at King's can be found [here](#).

Academic Consideration for Student Absence

If a student is unable to meet a course requirement due to substantial but temporary extenuating circumstances (medical or compassionate), they should follow the procedures below.

In some cases, where instructors have built flexibility into their assessments, this flexibility will already address consideration needs.

Requests for academic consideration should be directed to the Academic Advising Office of your faculty/college of registration. Requests must be made as soon as possible and no later than 48 hours after the missed assessment.

As a rule, documentation is required for academic consideration. For academic consideration requests on medical grounds, the Student Medical Certificate is available at https://www.kings.uwo.ca/kings/assets/File/currentStudents/courses_enrollment/exams_and_tests/SMC-Feb-2025.pdf.

Students are permitted one academic consideration request without supporting documentation per term per course.

Instructors may designate one assessment per half-course weight as requiring formal supporting documentation. Please refer to the course outline for each course.

For further information, please see:

https://uwo.ca/univsec/pdf/academic_policies/appeals/academic_consideration_Sep24.pdf

Absences from Final Examinations

If you miss the Final Exam, contact the Academic Advising Office of your faculty/college of registration as soon as you are able to do so. They will assess your eligibility to write the Special Examination (the name given by the University to a makeup Final Exam).

You may also be eligible to write the Special Exam if you are in a “Multiple Exam Situation” (e.g., more than 2 exams in 23-hour period, or more than 3 exams in a 47-hour period).

If a student fails to write a scheduled Special Examination, the date of the next Special Examination (if granted) normally will be the scheduled date for the final exam the next time this course is offered. The maximum course load for that term will be reduced by the credit of the course(s) for which the final examination has been deferred. See the Academic Calendar for details (under [Special Examinations](#)).

Religious Accommodation

Students should consult the University's list of recognized religious holidays, and should give notice in writing to the instructor and Academic Advising Office if a course requirement will be affected by a religious holiday/observance. Notice must be given as early as possible, and no later than two weeks prior to an examination, and one week prior to a midterm test date. It is the responsibility of such students to inform themselves concerning the work done in classes from which they are absent and to take appropriate action.

2. Support Services

Accessibility, Counselling and Student Development at King’s University College:

<https://www.kings.uwo.ca/current-students/student-services/>

Students experiencing emotional or mental health distress can access services at King’s University College: <http://www.kings.uwo.ca/current-students/campus-services/student-support-services/personal-counselling/>

Good2talk is a good online and phone 24/7 resource for students and is available in English, Mandarin, and French: <https://good2talk.ca>, 1-866-925-5454

MentalHealth@Western provides a complete list of options about how to obtain help:

https://www.uwo.ca/health/mental_wellbeing/

Academic Support Services at King’s University College:

<https://www.kings.uwo.ca/current-students/academic-resources/>

GBSV Support:

King’s is committed to reducing incidents of gender-based and sexual violence and providing compassionate support to anyone who has gone through these traumatic events. If you have experienced sexual or gender-based violence (either recently or in the past), you will find information about support services for survivors, including emergency contacts at:

<https://www.kings.uwo.ca/about-kings/safe-campus/gender-and-sexual-violence/>

You can reach someone supports at Kings by emailing Care@kings.uwo.ca or calling 519-930-4640 to reach a social worker who can offer help.

You can also reach Western’s Gender-Based Violence & Survivor Support Case Manager by [email](#) or by calling 519-661-3568.

Further supports can be found on this website: <https://www.kings.uwo.ca/about-kings/safe-campus/gender-and-sexual-violence/>

See also https://www.uwo.ca/health/student_support/survivor_support/get-help.html

University Students' Council offers many valuable support services for students, including the health insurance plan: <http://westernusc.ca/services/>

3. Statement on Use of Electronic Devices

Use of Electronic Devices: Unless explicitly stated otherwise, you are not allowed to have a cell phone, or any other electronic device, with you during tests or examinations. Unauthorized possession of such a device during a test or examination constitutes an academic offence.

Use of Laptops, Tablets, and Smartphones in the Classroom: King's University College at Western University acknowledges the integration of new technologies and learning methods into the curriculum. The use of electronic devices such as laptop computers, tablets, or smartphones can contribute to student engagement and effective learning. At the same time, King's recognizes that instructors and students share jointly the responsibility to establish and maintain a respectful classroom environment conducive to learning.

The use of electronic devices by students during lectures, seminars, labs, etc., shall be for matters related to the course at hand only. Students found to be using electronic devices for purposes not directly related to the class may be subject to sanctions under the Student Code of Conduct; see <https://www.kings.uwo.ca/current-students/student-affairs/code-of-student-conduct1/>

Inappropriate use of electronics (e.g., laptops, tablets, smartphones) during lectures, seminars, labs, etc., creates a significant disruption. As a consequence, instructors may choose to limit the use of electronic devices in these settings. In addition, in order to provide a safe classroom environment, students attending in-person class sessions are strongly advised to operate laptops with batteries rather than power cords.

4. Statement on Academic Offences

King's is committed to academic integrity. Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, is posted at

http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf

It is expected that students will submit work that is truly their own, completed without external assistance (human or artificial) except as explicitly permitted by the course instructor. Check with your instructor on what tools, including generative AI (ChatGPT, translation tools, grammar-checking tools) are permitted in the course. Because a tool is permitted in one course, that does not mean it is permitted in other courses.

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system; see <https://elearningtoolkit.uwo.ca/tools/Originality Reports - TurnItIn.html>.

Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating.

5. Copyright of Course Material

Lectures and course materials, including PowerPoint presentations, tests, outlines, and similar materials are protected by copyright. Faculty members are the exclusive owner of copyright in those materials they create. Students may take notes and make copies for their own use. Students may not allow others to reproduce or distribute lecture notes and course materials publicly (whether or not a fee is charged) without the express written consent of a faculty member. Unauthorized sharing of class content is subject to academic discipline.

Similarly, students own copyright in their own original papers and exam essays. If a faculty member wishes to post a student's answers or papers on the course website, they should ask for the student's written permission.

6. Use of Recordings

Participants in this course are not permitted to record the sessions, except where recording is an approved accommodation and/or the participant has the prior written permission of the instructor. Unauthorized recording and/or sharing of class content is subject to academic discipline.

7. Policy on Attendance

Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course, will be reported to the Dean of the Faculty offering the course, after due warning has been given. On the recommendation of the department concerned, and with the permission of the Dean of that Faculty, the student will be debarred from taking the regular examination in the course.