

**Course Syllabus**  
**FIN 6366-501 - Fall 2009**  
School of Management  
The University of Texas at Dallas

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**Course Information**

Course Number/Section	FIN 6366 / 501
Course Title	International Financial Management
Term	Fall 2009
Days & Times	Mondays, 7:00pm-9:45pm
Location	SOM 2.116

**Professor Contact Information**

Professor	David Springate, Ph.D.
Office Phone	972-883-2647
Email Address	spring8@utdallas.edu
Office Location	SOM 2.610
Office Hours	By Appointment (Contact Debbie Davis to schedule appointment)

**Administrative Contact Information**

<i>Administrative Assistant</i>	Debbie Davis (copy me on all emails to the professor)
<i>Office Phone</i>	972-883-5941
<i>Email Address</i>	<a href="mailto:debbie.davis@utdallas.edu">debbie.davis@utdallas.edu</a>
<i>Office Location</i>	SOM 2.415
<i>Office Hours</i>	10:00am – 7:00pm

**About the Instructor**

**David J. Springate, Ph.D.**

**Finance Professor at The University of Texas at Dallas School of Management, Director of the UTD Center for Finance Strategy Innovation, Former President of Financial Executives International – Dallas Chapter**

Dr. Springate served as the Associate Dean for Executive Education Programs in the School of Management at The University of Texas at Dallas from 1991 to 2008. In this position he supervised eight program managers and many of the externally-oriented programs delivered to corporations and the public by the School of Management. He has delivered approximately 150 short seminars and custom programs for executive groups and corporations.

He now heads the Center for Finance Strategy Innovation which was launched last year. His teaching interests focus on private equity, international finance and the financing of innovation. He was selected as the Outstanding Graduate Teacher in the School of Management and as Outstanding Professor in the Executive MBA Program, which he founded. Earlier faculty appointments include the International Management Development Institute in Switzerland, the University of Tennessee, and Southern Methodist University.

His Ph.D. in Corporate Finance is from the Harvard Business School. He has both an MBA and a degree in electrical engineering. His doctoral thesis on the effect of federal subsidies on corporate investment decisions led to testimony before a committee of the Canadian Parliament. Written articles dealing with the government-private industry interface have been published in the *Columbia Journal of World Business*, *American City and County*, *Health Care Management Review*, *Texas Hospitals* and the *Monograph Series of the C.D. Howe Research Institute*. He has presented academic papers at the American Institute of Decision Sciences, the Operations Research Society of America, the Academy of Management and the Financial Management Association.

Dr. Springate was the president of the Dallas Chapter of Financial Executives International for 2008-2009. Previously, he served as chief executive of the investment subsidiary of a multi-billion dollar financial institution, as a manager for a listed Swiss investment company, as the Chairman of a double franchise luxury automobile dealership and as an Air Force project officer. He served as a consultant for 3M Corporation, Ford Motor Company, Blue Cross and Blue Shield, Software AG, Goodyear, Prentice Hall, Tennessee Valley Authority, Houghton Mifflin, and five legal firms in Dallas.

## **Course Description**

The course aims to develop understanding and professional effectiveness in dealing with international currencies and cross-border financings and investments. The context of the course will be financial issues of importance to corporations, fund managers, and investors. The instructional focus will be individual development.

The course is broken into **three** major areas of concern. We will first take up "The Basics of Foreign Exchange, Exchange Rates, and Global Markets", followed by consideration of "Foreign Exchange Exposure Management". The third area is "Financing and Investment Decisions in Multi-National Corporations". These topics have been selectively chosen and do not comprise complete coverage of the international finance field. Some areas that could be included, for example, cash management, use of particular capital markets, or exchange rate forecasting, have been excluded on the basis of time availability.

This course is designed for practicing business people. There will be a structured start to the course. Following this, there will be substantial opportunities for case analysis of topical issues. The learning will come from the professor, individual study, the contributions of classmates, and from preparation for class presentations.

## **Class Participation**

Class discussions and participation are central to this course. Weekly assigned cases and occasional invited speakers offer abundant opportunities for discussion and learning.

[www.eLearning@utdallas.edu](mailto:www.eLearning@utdallas.edu) will be used to post assignments, communicate via email, chat with classmates, post general class discussions, post questions for the professors, communicate with the professors, communicate with others in your group, introduce yourselves to the other classmates, and sign-up for groups.

## **Required Textbooks and Materials**

You are responsible for procuring a copy of the required course materials listed below. Cases will normally be available through the campus and off-campus book stores. In lieu of ordering individual cases for FIN 6366 501, Dr. Springate has decided to use this book as his "required" textbook:

### **International Finance: A Casebook**

By Mihir A. Desai

ISBN-13: 978-0-471-73768-1

ISBN-10: 0-471-73768-2

Published by John Wiley & Sons, Inc. 2007

And, as a "recommended\*" textbook for reading and reference, he will use:

### **Global Corporate Finance\***

[Suk Kim](#), [Seung Kim](#)

ISBN: 978-1-4051-1990-0

Hardcover

544 pages

February 2006, Wiley-Blackwell

\*Some class members will need this book to supplement the casebook and its notes. Others may feel they do not require it.

Textbooks and other bookstore materials can be ordered online through [Off-Campus Books](#) or the [MBS Direct Virtual Bookstore](#) online ordering site. They are also available in stock at the [UTD Bookstore](#), Stanza Textbooks, and Off-Campus Books.

**Academic Calendar & Assignments – FIN 6366 – Fall 2009 - International Financial Management – Dr. David Springate**

Week	Dates	Course Section	Topics	Cases and Notes from Desai	Associated Readings from Kim & Kim
1	Aug 24	<b>The Basics of Foreign Exchange, Exchange Rates, and Global Markets</b>	Course Introduction	None	Chapters 1, 2
2	Aug 31		Foreign Exchange Markets, Parities	<ul style="list-style-type: none"> <li>Foreign Exchange Markets and Transactions</li> </ul>	Chapter 5
3	Sept 14	<b>Foreign Exchange Exposure Management</b>	Exchange Rate Determination	<ul style="list-style-type: none"> <li>Exchange Rate Policy at the Monetary Authority of Singapore</li> </ul>	Chapters 3, 4
4	Sept 21		Global Markets and Investment Returns	<ul style="list-style-type: none"> <li>Innocents Abroad: Currencies and International Stock Returns</li> </ul>	Chapter 16
5	Sept 28		Forwards and Options	<ul style="list-style-type: none"> <li>Hedging Currency Risks at AIFS</li> </ul>	
7	Oct 12		Managing Different Kinds of Exposures	<ul style="list-style-type: none"> <li>Foreign Exchange Hedging Strategies at General Motors: Transactional and Translational Exposures</li> </ul>	Chapters 7, 9, 10
8	Oct 19			<ul style="list-style-type: none"> <li>Foreign Exchange Hedging Strategies at General Motors: Competitive Exposures</li> </ul>	
9	Oct 26		<b>Financing and Investment Decisions in Multi-National Corporations</b>	Budgeting and Evaluation	<ul style="list-style-type: none"> <li>The Continuing Transformation of Asahi Glass: Implementing EVA</li> </ul>
10	Nov 2	Capital Structures for Subsidiaries		<ul style="list-style-type: none"> <li>The Refinancing of Shanghai General Motors</li> </ul>	Chapters 11, 12, 14
11	Nov 9	Valuation in Developed Markets		<ul style="list-style-type: none"> <li>Valuing a Cross-Border LBO: Bidding on the Yell Group</li> </ul>	Chapter 17
13	Nov 23	Valuation in Emerging Markets		<ul style="list-style-type: none"> <li>Dow Chemical's Bid for the Privatization of PBB in Argentina</li> </ul>	Chapters 18, 19
14	Nov 30	Risk Considerations		<ul style="list-style-type: none"> <li>Drilling South: Petrobras Evaluates Pecom</li> <li>Cross-Border Listings and Depositary Receipts</li> </ul>	Chapter 13
15	Dec 7	Tax Arbitrage		<ul style="list-style-type: none"> <li>Tax-Motivated Film Financing at Rexford Studios</li> <li>The Strategy and Sources of Motion Picture Finance</li> </ul>	
	Dec 14	<b>FINAL EXAM</b>			

1. First Written Paper will be assigned Sept. 14 and due Sept. 28: "Corporate Inversions: Stanley Works and the Lure of Tax Havens"
2. The classes on October 26 and November 30 will include class presentations by individual teams.
3. Second Written Paper will be assigned on Nov. 2 and will be due on Nov. 16: "Globalizing the Cost of Capital and Capital Budgeting at AES"

**These descriptions and timelines are subject to change at the discretion of the Professor.**

**Assignments**

**Individual Written Assignments (Expected):**

“Corporate Inversions: Stanley Works and the Lure of Tax Havens”

“Globalizing the Cost of Capital and Capital Budgeting at AES”

**Group Participation:**

Groups will be formed at the beginning of the class and will be posted on eLearning course website. A group sign-up sheet will aid the formation of groups for group assignments or projects. A private discussion area will be set up on the discussion board in eLearning ([www.eLearning.utdallas.edu](http://www.eLearning.utdallas.edu)) for internal group communications.

**Grading Policy****Deliverables**

You will be judged on your class discussion of topics and cases and on your questions for visitors. Other deliverables include individual written analysis of two cases, a team presentation, and a final exam.

**Evaluation**

Class discussion, participation, and case analysis	30%
Two Individual written case analyses	30%
Two team presentations	20%
Final Examination	20%
	100%

**Accessing Grades**

Students can check grades by clicking “My Grades” under Course Tools after the grade for each assessment task is released.

**Grading Criteria**

A	A-	B+	B	B-	C+	C	P	F	I
4.0	3.67	3.33	3.00	2.67	2.33	2.00	Pass	Fail	Incomplete

**Course Policies****Make-up exams**

These are possible only in exceptional circumstances. Seek the instructor’s approval in advance.

**Late Work**

All work should be submitted even if late. Penalties may apply.

**Class Attendance**

Grades depend, in part, on attendance. You are expected to be in class.

**Classroom Citizenship**

Participation calls for due respect of classmates and the instructors. Do not embarrass yourself. Come prepared to class with required readings and case preparation completed.

**Student Conduct & Discipline**

The University of Texas System and The University of Texas at Dallas have rules and regulations for the orderly and efficient conduct of their business. It is the responsibility of each student and each student organization to be knowledgeable about the rules and regulations which govern student conduct and activities. General information on student conduct and discipline is contained in the UTD publication, *A to Z Guide*, which is provided to all registered students each academic year.

The University of Texas at Dallas administers student discipline within the procedures of recognized and established due process. Procedures are defined and described in the *Rules and Regulations, Board of Regents, The University of Texas System, Part 1, Chapter VI, Section 3*, and in Title V, Rules on Student Services and Activities of the university's *Handbook of Operating Procedures*. Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations (SU 1.602, 972/883-6391).

A student at the university neither loses the rights nor escapes the responsibilities of citizenship. He or she is expected to obey federal, state, and local laws as well as the Regents' Rules, university regulations, and administrative rules. Students are subject to discipline for violating the standards of conduct whether such conduct takes place on or off campus, or whether civil or criminal penalties are also imposed for such conduct.

### **Academic Integrity**

The faculty expects from its students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrate a high standard of individual honor in his or her scholastic work.

Scholastic dishonesty includes, but is not limited to, statements, acts or omissions related to applications for enrollment or the award of a degree, and/or the submission as one's own work or material that is not one's own. As a general rule, scholastic dishonesty involves one of the following acts: cheating, plagiarism, collusion and/or falsifying academic records. Students suspected of academic dishonesty are subject to disciplinary proceedings.

Plagiarism, especially from the web, from portions of papers for other classes, and from any other source is unacceptable and will be dealt with under the university's policy on plagiarism (see general catalog for details). This course will use the resources of turnitin.com, which searches the web for possible plagiarism and is over 90% effective.

### **Email Use**

The University of Texas at Dallas recognizes the value and efficiency of communication between faculty/staff and students through electronic mail. At the same time, email raises some issues concerning security and the identity of each individual in an email exchange. The university encourages all official student email correspondence be sent only to a student's U.T. Dallas email address and that faculty and staff consider email from students official only if it originates from a UTD student account. This allows the university to maintain a high degree of confidence in the identity of all individual corresponding and the security of the transmitted information. UTD furnishes each student with a free email account that is to be used in all communication with university personnel. The Department of Information Resources at U.T. Dallas provides a method for students to have their U.T. Dallas mail forwarded to other accounts.

### **Withdrawal from Class**

The administration of this institution has set deadlines for withdrawal of any college-level courses. These dates and times are published in that semester's course catalog. Administration procedures must be followed. It is the student's responsibility to handle withdrawal requirements from any class. In other words, instructors cannot drop or withdraw any student. You must do the proper paperwork to ensure that you will not receive a final grade of "F" in a course if you choose not to attend the class once you are enrolled.

## **Student Grievance Procedures**

Procedures for student grievances are found in Title V, Rules on Student Services and Activities, of the university's *Handbook of Operating Procedures*.

In attempting to resolve any student grievance regarding grades, evaluations, or other fulfillments of academic responsibility, it is the obligation of the student first to make a serious effort to resolve the matter with the instructor, supervisor, administrator, or committee with whom the grievance originates (hereafter called "the respondent"). Individual faculty members retain primary responsibility for assigning grades and evaluations. If the matter cannot be resolved at that level, the grievance must be submitted in writing to the respondent with a copy of the respondent's School Dean. If the matter is not resolved by the written response provided by the respondent, the student may submit a written appeal to the School Dean. If the grievance is not resolved by the School Dean's decision, the student may make a written appeal to the Dean of Graduate or Undergraduate Education, and the dean will appoint and convene an Academic Appeals Panel. The decision of the Academic Appeals Panel is final. The results of the academic appeals process will be distributed to all involved parties.

Copies of these rules and regulations are available to students in the Office of the Dean of Students, where staff members are available to assist students in interpreting the rules and regulations.

### **Incomplete Grade Policy**

As per university policy, incomplete grades will be granted only for work unavoidably missed at the semester's end and only if 70% of the course work has been completed. An incomplete grade must be resolved within eight (8) weeks from the first day of the subsequent long semester. If the required work to complete the course and to remove the incomplete grade is not submitted by the specified deadline, the incomplete grade is changed automatically to a grade of **F**.

### **Disability Services**

The goal of Disability Services is to provide students with disabilities educational opportunities equal to those of their non-disabled peers. Disability Services is located in room 1.610 in the Student Union. Office hours are Monday and Thursday, 8:30 a.m. to 6:30 p.m.; Tuesday and Wednesday, 8:30 a.m. to 7:30 p.m.; and Friday, 8:30 a.m. to 5:30 p.m.

The contact information for the Office of Disability Services is:

The University of Texas at Dallas, SU 22

PO Box 830688

Richardson, Texas 75083-0688

(972) 883-2098 (voice or TTY)

Essentially, the law requires that colleges and universities make those reasonable adjustments necessary to eliminate discrimination on the basis of disability. For example, it may be necessary to remove classroom prohibitions against tape recorders or animals (in the case of dog guides) for students who are blind. Occasionally an assignment requirement may be substituted (for example, a research paper versus an oral presentation for a student who is hearing impaired). Classes enrolled students with mobility impairments may have to be rescheduled in accessible facilities. The college or university may need to provide special services such as registration, note-taking, or mobility assistance.

It is the student's responsibility to notify his or her professors of the need for such an accommodation. Disability Services provides students with letters to present to faculty members to verify that the student has a disability and needs accommodations. Individuals requiring special accommodation should contact the professor after class or during office hours.

### **Religious Holy Days**

The University of Texas at Dallas will excuse a student from class or other required activities for the travel to and observance of a religious holy day for a religion whose places of worship are exempt from property tax under Section 11.20, Tax Code, Texas Code Annotated.

The student is encouraged to notify the instructor or activity sponsor as soon as possible regarding the absence, preferably in advance of the assignment. The student, so excused, will be allowed to take the exam or complete the assignment within a reasonable time after the absence: a period equal to the length of the absence, up to a maximum of one week. A student who notifies the instructor and completes any missed exam or assignment may not be penalized for the absence. A student who fails to complete the exam or assignment within the prescribed period may receive a failing grade for that exam or assignment.

If a student or an instructor disagrees about the nature of the absence [i.e., for the purpose of observing a religious holy day] or if there is similar disagreement about whether the student has been given a reasonable time to complete any missed assignments or examinations, either the student or the instructor may request a ruling from the chief executive officer of the institution, or his or her designee. The chief executive officer or designee must take into account the legislative intent of TEC 51.911(b), and the student and instructor will abide by the decision of the chief executive officer or designee.

### **Off-Campus Instruction and Course Activities**

Off-campus, out-of-state, and foreign instruction and activities are subject to state law and University policies and procedures regarding travel and risk-related activities. Information regarding these rules and regulations may be found at the website address given below. Additional information is available from the office of the school dean.

[www.utdallas.edu/businessaffairs/risk/](http://www.utdallas.edu/businessaffairs/risk/)