I. Course Materials

A. Brealey-Myers-Allen, *Principles of Corporate Finance*, McGraw Hill (BM) is recommended but if you have a Corp Fin text that will be fine. Just review it.

B. Packet I:
   1. Syllabus
   2. Articles
   3. Cases

C. Items to be handed out in class
   1. Lecture Notes
   2. Homework Problems & Answers

II. Course Description

This course analyzes the major financial decisions facing corporate managers. The major topics include investment valuation (capital budgeting), capital structure and dividend policy, and mergers and acquisitions. There will be emphasis on both developing the tools and mindset of the financial practitioner as well as examining specific applications in the form of examples but we will spend a lot of time with case discussions as well. The purpose is to see the concepts of capital structure applied in real world situations – with both more breadth and depth than in the intro corporate finance class.

We will end the course discussing more advanced topics such as Real Options and Behavioral Finance.
## II. Course Schedule (Dates to be updated)

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<tr>
<th>Class</th>
<th>Lecture Topic</th>
<th>Reading</th>
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<td>Sep 3</td>
<td>Capital Structure</td>
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<td>Dividend Policy/Governance</td>
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<td>Valuation</td>
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<td>Sep 12</td>
<td>Mergers and Acquisitions</td>
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### Case discussions
- Sep 17, 19: MW PETROLEUM
- Sep 24: MARRIOTT
- Sep 26, Oct 1: INTEL
- Oct 3: Dividends Review
- Oct 8: CUMBERLAND
- Oct 10: CUMBERLAND and financial distress restructuring
- Oct 17: PARAMOUNT 93
- Oct 22: PARAMOUNT 94
- Oct 24: PARAMOUNT and Review
- Oct 29: Paramount and merger analysis
- Oct 31: Review
- Nov 5: Midterm

- Nov 7, 12: USX
- Nov 14: CONRAIL
- Nov 19, 21: CONRAIL and M&A bidding
- Nov 26: JAGUAR
- Dec 3: JAGUAR and International Finance
- Dec 5: PEPSI
- Dec 10: Other topics & Course Summary

Takehome FINAL EXAM
III. Grading

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have agreed that for elective courses the individual instructor or department is responsible for determining reasonable grading guidelines. I have elected to use the following grading guidelines for this course:

27% Homeworks (see below for breakdown)
17% Class Participation
16% Midterm
40% Final case analysis

Hand in 9 of the 10 case write-ups (listed on previous page) for 3 points each. (Can be handed in as group assignment up to size 3)
Homework grading follows the following format: A good job earns 3 pts (check +); a relatively weak effort earns 2 pts (check); garbage earns 1 pt (check -).

The midterm will cover the essentials of corporate finance addressed in the earlier cases. The final will be a case analysis done individually that lever many of the concepts discussed during the term.
GRADING DISTRIBUTION

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have agreed that for elective courses the individual instructor or department is responsible for determining reasonable grading guidelines.

In accordance to the Finance department’s suggested distribution, I have elected to use the following grading guidelines for this course: approximately 35% A/A- grades for the class.

ACADEMIC INTEGRITY

Integrity is critical to the learning process and to all that we do here at NYU Stern. As members of our community, all students agree to abide by the NYU Stern Student Code of Conduct, which includes a commitment to:

- Exercise integrity in all aspects of one's academic work including, but not limited to, the preparation and completion of exams, papers and all other course requirements by not engaging in any method or means that provides an unfair advantage.

- Clearly acknowledge the work and efforts of others when submitting written work as one’s own. Ideas, data, direct quotations (which should be designated with quotation marks), paraphrasing, creative expression, or any other incorporation of the work of others should be fully referenced.

- Refrain from behaving in ways that knowingly support, assist, or in any way attempt to enable another person to engage in any violation of the Code of Conduct. Our support also includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to adversely affect the NYU Stern community.

The entire Stern Student Code of Conduct applies to all students enrolled in Stern courses and can be found here: www.stern.nyu.edu/uc/codeofconduct

To help ensure the integrity of our learning community, prose assignments you submit to Blackboard will be submitted to Turnitin. Turnitin will compare your submission to a database of prior submissions to Turnitin, current and archived Web pages, periodicals, journals, and publications. Additionally, your document will become part of the Turnitin database.
GENERAL CONDUCT & BEHAVIOR

Students are also expected to maintain and abide by the highest standards of professional conduct and behavior. Please familiarize yourself with Stern's Policy in Regard to In-Class Behavior & Expectations (http://www.stern.nyu.edu/portal-partners/current-students/undergraduate/resources-policies/academic-policies/index.htm) and the NYU Disruptive Behavior Policy (http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/bullying--threatening--and-other-disruptive-behavior-guidelines.html)

STUDENTS WITH DISABILITIES

If you have a qualified disability and will require academic accommodation of any kind during this course, you must notify me at the beginning of the course and provide a letter from the Moses Center for Students with Disabilities (CSD, 998-4980, www.nyu.edu/csd) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation.