Dear Corporate Finance Students:

Welcome to my corporate finance class. Please read the following carefully.

First day of class:

Please bring the course package, a nametag, and a calculator. We will start with lecture note 4, “A Comparison of Investment Criteria”. Lecture notes 1-3 are review material, and I expect all of you have read these notes prior to the first day of class.

Please be on time. The class starts at 6pm.

Prerequisites:

I assume all of you have attended the Foundations of Finance class and are familiar with basic concepts such as beta and the Capital Asset Pricing Model (CAPM).

Course Material:

There will be no text book. We’ll be using lecture notes instead. These notes contain gaps, which we will fill out together in class. In addition, we’ll do the following four cases:

1) Arundel
2) Super Project
2) Kennecott
3) UST

Super Project and Kennecott are group projects. All groups must hand in a solution in class. Solutions will be graded on a pass/fail basis. Moreover, each group must prepare an in-class presentation. Each time, I will randomly select two groups and have them present.

Arundel and UST will not be graded and you don’t need to hand in anything. Nevertheless, I expect all of you to read these cases carefully as we will discuss them in class.

Midterm and Final: The dates for the midterm and final are:
Both exams are open book: you can bring your lecture notes, cases, problem sets, and personal notes. No other material, though.

**Grading:**

Midterm 40%, Final (cumulative) 60%.

You’ll need a “pass” in both case projects (Super Project and Kennecott). For each case you fail I will deduct 5 points from your final score. (The maximum final score is 100.)

Following departmental guidelines (sorry), the course will be graded on a curve with an approximate grade distribution of: 10% A, 10-15% A-, 10% B+, 50-60% B/B-, 10-15% C+/C/C-, 0-10% D/F.

**Calculator:** Please bring a calculator. There are no restrictions regarding the type of calculator you may use.

**Missing class?** I am teaching the same class three times a week. In exceptional circumstances, such as illness or business trips, you may attend the other class. In this case, I request that you send me an email. Also, all lectures will be videotaped.

**Blackboard:** Check blackboard at least once a week. All communication will take place via blackboard. This includes weekly homework assignments (with solutions). I strongly advise you that you do these assignments on a regular basis. If you wait until the exam I will be too late.

**Course syllabus:** over, please.
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| 3    | Practical Aspects of the NPV Rule | LN6 |
| 4    | Practical Aspects of the NPV Rule  
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| 11   | Investment and Financing Decisions (I) | LN9 |
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Kennecott |
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