

**School of Business**

**Department of Accounting & Finance**

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| Basic Information | |
| **Course Name:** | **Corporate Finance** |
| **Course Code**  **& Section No:** | **FIN440** |
| **Semester:** | **Fall 2014** |

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| Instructor & Department Information | |
| 1. **Instructor Name:** | **Mirza M. Ferdous (MzF)** |
| 1. **Office Room:** | NAC 972 |
| 1. **Office Hours:** | *will be discussed in class* |
| 1. **Office Phone:** | 1757 |
| 1. **Email Address:** | [mferdous@northsouth.edu](mailto:mferdous@northsouth.edu) [mirzamferdous@gmail.com](mailto:mirzamferdous@gmail.com) |
| 1. **Department:** | Accounting & Finance |
| 1. **Links:** | **Course Website: www.mzfsir.weebly.com**  North South University Website: <http://www.northsouth.edu>  School of Business Website: http://www.northsouth.edu/academic/sob/ |

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| Course Information | |
| **Class Time & Location** |  |
| **Course Prerequisite(s)** | FIN254, ACT201, ACT202, BUS172, and MIS105. Students are strongly suggested to revise FIN254 material thoroughly. |
| **Course Credit Hours** | 3.0 |
| **Course Description** | This course examines in details investment and financing, and their interrelatedness. The overall goal is to obtain a comprehensive and in-depth perspective of the area of Corporate Finance. Major topics include financial analysis and planning, valuation, capital budgeting, capital structure, dividend policy, working capital management, mergers and acquisition, hybrid financing, bankruptcy, multinational financial management, and risk management. Special emphasis is given on integration of the concepts of financial management into a total systems approach to business decision-making. |
| **Student Learning Outcomes** | Upon the successful completion of this course, a student will be able to:  (1) Analyze financial statements using vertical, horizontal, and standard financial ratios to determine a firm’s strengths and weaknesses, and be able to use the analysis to improve performance. Apply techniques to project financial statements for forecasting long-term financial needs.  (2) Demonstrate proficiency in valuation techniques. Apply future value and present value concepts to single sums, mixed streams, annuities, and perpetuities. Describe what determines the value of a firm’s securities and how management can influence these values.  (3) Apply the concept of risk, its measurement for single assets and portfolios, various types of risk, the source and use of betas, and the CAPM and SML. Apply techniques for estimating the cost of each component of the cost of capital and understand how to assemble this information into a cost of capital.  (4) Use Financial Statements to obtain Free Cash Flows for the firm and equity holders. Identify relevant cash flows, discuss various methods for evaluating capital budgeting projects, how to apply them, and what to do if there are conflicting recommendations.  (5) Understand how a firm influences its leverage, and how leverage affects a firm. Apply measures of cost of capital and financial leverage to form long-term financial policies for business. Describe the common factors influencing dividend policy. |

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| Required Text Books | | | | |
| **Author** | **Title** | **Edition & Year** | **Publisher** | **ISBN** |
| Stephen A. Ross, Randolph Westerfield Bradford D. Jordan | Fundamentals of Corporate Finance by | 9th Ed. - 2010  (or 8th Ed. - 2008) | McGraw Hill | 978-0-07-017158-9/  (978-0-07-066702-0) |
| Arthur J. Keown  John H. Martin  John W. Petty  David F. Scott | Financial Management: Principles and Applications | 10th Ed. – 2005 | Pearson Prentice Hall | 0131450654 |

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| Assessment Strategy and Grading Scheme | |
| **Grading tool** | **Points** |
| ASSIGNMENTS (total 3) | 15% |
| QUIZ (total 3) | 10% |
| MIDTERM 1 | 20% |
| MIDTERM 2 | 20% |
| FINAL EXAM | 25% |
| ATTENDANCE & PARTICIPATION | 10% |
| **TOTAL** | **100%** |

NSU Grading Policy will strictly be followed!

Please Refer to NSU Student Handbook, Section: “Grading Policy”

**Others (Reference Books, CD ROMS, DVDs, e-Library, Internet, Articles, …)**

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| ***Resource Type*** | ***Description*** | ***Type*** | ***Comments*** |
| 1. Internet 2. Faculty website | Business news and information  ***www.mzfsir.weebly.com*** |  | For research purposes (for assignments, group project)  All of the lectures, assignments, notices etc. will be available on the website. It will be our primary means of communication throughout the semester. |

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| Teaching Strategy |

* The class will be conducted through various activities including presentation of concepts and situations, discussion and exchanges of ideas, student initiative and active involvement, cases reflecting real world context, and project. Students are expected to actively involve and to take initiative for their own learning experience.
* **Lectures** **-** Every lecture will have a chapter reference in your textbook. Additional lecture materials will be provided through handouts and web-references. You MUST take notes in class.
* **Assignments -** Students will need internet access to complete certain take home assignments. Assignments will mostly involve case studies discussed in class. Certain assignments may be followed by in-class multimedia presentations.
* **Exams -** The lecture-quiz schedule will be announced in class. Please refer to the website for additional exam information.

*\*\*THE SCHEDULE FOR QUIZZES, ASSIGNMENTS, MIDTERMS WILL BE AVAILABLE ON THE WEBSITE\*\**

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| Classroom Rules of Conduct | |
| * Come to class on time – I will deduct participation points for students coming late to class. * Use of cell phones is not permitted in class * Class performance points will also be based on class participation- I encourage cooperative learning, so please share your ideas and ask/answer questions. * All students are required to bring a scientific calculator to class. * There will be no make-up quizzes * If you miss a mid-term exam, your make-up will be decided comprehensively with the next exam. * Any form of cheating, plagiarism, and disruptive behavior will result in an F.   **Academic Integrity Policy:**  School of Business does not tolerate academic dishonesty by its students. At minimum, students must not be involved in cheating, copyright infringement, submitting the same work in multiple courses, significant collaboration with other individuals outside of sanctioned group activities, and fabrications.  Students are advised that violations of the Student Integrity Code will be treated seriously, with special attention given to repeated offences.  Please Refer to NSU Student Handbook, Sections: “Disciplinary Actions” and “Procedures and Guidelines”. | |
| **Late Assignment Policy** |  | |
| Promptness is a highly valued attribute in the workplace. Employees are expected to plan ahead to meet deadlines. Managers reprimand or terminate employees who are repeatedly late in submitting assignments. In this course – late assignments will not be accepted. | | |

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| **Group ProjectS Policy** |  |
| Each group (between 2-6 students) will submit a final report and will face an interview regarding their project at the end of the semester. More details about the structure, components, time and criteria for assessment of the project will be discussed in class. | |

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| Exams & Make Up Policy |
| In order to complete the course, students must submit all the required assignments and sit for the exams. Make-up exams are not given unless there is a major circumstance preventing the student from sitting in the exam (official material evidence is required). The timing of the make-up is to be fixed with the instructor of the course if granted.  Cell phones are prohibited in exam sessions. |

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| Attendance Policy |
| Students are required and expected to attend all classes and participate in class discussions. North South University mandates to fail students who are absent 25% or more from their classes, even if such absences are excusable.  Please Refer to NSU Student Handbook, Section: “Study Principles and Policies” |
| Communication Policy |
| All communications should take place using the instructor’s email. Students will need to refer to the website ([www.mzfsir.weebly.com](http://www.mzfsir.weebly.com)) for lectures, dates, and notices. It is the student’s responsibility to be aware of any announcements made via the website. |

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| Appropriate Use Policy |
| All members of the North South University community must use electronic communications in a responsible manner. The University may restrict the use of its computers and network systems for electronic communications subject to violations of university policies/codes or local laws or national laws. Also, the university reserves the right to limit access to its networks through university-owned or other computers, and to remove or limit access to material posted on university-owned computers. |

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| Students With Special Needs |
| North South University will provide educational opportunities that ensure fair, appropriate and reasonable accommodation to students who have disabilities/special needs that may affect their ability to participate in course activities or meet course requirements. Students with disabilities are encouraged to contact their instructors to ensure that their needs are met. The University through its Special Need section will exert all efforts to accommodate special needs.  Special Needs Section  Telephones: Location:  Email:  Please Refer to NSU Student Handbook, Section: “Special Needs Services” |

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| Students Support and Learning Resources |
| 1. SOB-Learning Center: 2. The University Student Learning Support Center (SLSC): These centers provide academic support services to students at NSU. The SLSC is a supportive environment where students can seek assistance with academic coursework, writing assignments, transitioning to college academic life, and other academic issues. SLSC programs include: Peer Tutoring, the Writing Lab, Writing Workshops, and Academic Success Workshops. Students may also seek confidential academic counseling from the professional staff at the Center.   Students Learning & Support Center (SLSC)  Tel:  Fax:  Location:  E-mail:  Please Refer to NSU Student Handbook, Section: “Student Leaning Support Center” |
| Students Complaints Policy |
| Students at North South University have the right to pursue complaints related to faculty, staff, and other students.  The nature of the complaints may be either academic or non-academic.  For more information about the policy and processes related to this policy, you may refer to the students’ handbook. |

**Others (Reference Books, CD ROMS, DVDs, e-Library, Internet, Articles, …)**

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| 1. Internet 2. Faculty website | Business news and information  ***www.mzfsir.weebly.com*** |  | For research purposes (for assignments, group project)  All of the lectures, assignments, notices etc. will be available on the website. It will be our primary means of communication throughout the semester. |

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| Course Contents & Schedule |  |

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| **No** | **Topic** | **Date/week** | **اChapter/Assignment** |
|  | Review of basic concepts (Fin 254, and accounting) |  |  |
| ***QUIZ 1*** | | | |
|  | Financial statements & ratios |  |  |
|  | Forecasting, planning & budgeting |  |  |
|  |  |  | ***ASSIGNMENT 1*** |
| ***MIDTERM 1*** | | | |
|  | Time value of money |  | LAB CLASS |
| ***QUIZ 2*** | | | |
|  | Risk & return |  |  |
|  | Bond valuation |  | LAB CLASS |
|  | Stock valuation |  | LAB CLASS |
|  |  |  | ***ASSIGNMENT 2*** |
| ***MIDTERM 2*** | | | |
|  | Capital budgeting |  |  |
| ***QUIZ 3*** | | | |
|  | Cost of Capital |  |  |
|  | Financial leverage |  |  |
|  | Dividend and dividend policy |  |  |
| 12. | Mergers & acquisitions |  | ***ASSIGNMENT 3*** |
| Working capital management | | | |
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| ***FINAL EXAM*** | | | |
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Note: The instructor reserves the right to make changes to the syllabus if necessary.