

**The University of Western Ontario
Management and Organizational Studies**

**MOS 2310A: Corporate Finance
Section 003**

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Office Hours: TBA

Text:

Gitman, Lawrence J. and Sean Hennessey. "Principles of Corporate Finance," second Canadian Edition, Pearson Education Canada Inc., 2008.

Evaluation:

Midterm Examination 40% (Oct. 20) Calculators may be allowed.
Final Examination 40% (To be scheduled by Registrar's Office) Calculators may be allowed.
Project/Assignment 20% (See project outline)

Notes:

Prerequisite(s): Senate Regulations state, "unless you have either the requisites for this course or written special permission from your Dean to enroll in it, you will 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."

Illness: The University recognizes that a student's ability to meet his/her academic responsibilities may, on occasion, be impaired by medical illness. Illness may be acute (short term), or it may be chronic (long term), or chronic with acute episodes. The University further recognizes that medical situations are deeply personal and respects the need for privacy and confidentiality in these matters. However, **in order to ensure fairness and consistency for all students, academic accommodation for work representing 10% or more of the student's overall grade in the course shall be granted only in those cases where there is documentation indicating that the student was seriously affected by illness and could not reasonably be expected to meet his/her academic responsibilities.**

Documentation shall be submitted, as soon as possible, to the appropriate Dean's office (the Office of the Dean of the student's Faculty of registration/home Faculty) together with a request for relief specifying the nature of the accommodation being requested. These documents will be retained in the student's file, and will be held in confidence in accordance with the University's Official Student Record Information Privacy Policy [<http://www.uwo.ca/univsec/handbook/general/privacy.pdf>].

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(s). Academic accommodation may include extension of deadlines, waiver of attendance requirements for classes/labs/tutorials, arranging Special Exams or Incompletes, re-weighting course requirements, or granting late withdrawals without academic penalty.

Academic accommodation shall be granted only where the documentation indicates that the onset, duration and severity of the illness are such that the student could not reasonably be expected to complete his/her academic responsibilities. (Note: it will not be sufficient to provide documentation indicating simply that the student was seen for a medical reason or was ill.)

A form to be completed by off-campus physicians is available at:

<http://counselling.ssc.uwo.ca/forms/medicalNote.pdf>

Whenever possible, students who require academic accommodation should provide notification and documentation **in advance of due dates, examinations**, etc. Students must follow up with their professors and their Academic Counselling office in a timely manner.

In the case of a final examination in the course, the student must arrange for a Special Examination or Incomplete through their Dean's office, for which you will be required to provide acceptable documentation.

If you feel that you have a medical or personal problem that is interfering with your work, you should contact your instructor and the Faculty Academic Counselling Office as soon as possible. Problems may then be documented and possible arrangements to assist you can be discussed at the time of occurrence rather than on a retroactive basis. In general, retroactive requests for grade revisions on medical or compassionate grounds will not be considered.

There will be no make-up midterm exam given. If you miss the midterm examination and provide valid official documentation (subject to approval by Academic Counseling), then the weight of the midterm will be added to the final.

Requests for make-up exams and other special arrangements will ONLY be considered in extenuating circumstances and ONLY upon recommendation of Academic Counseling or the Dean's Office. Please see Academic Counseling before requesting exam accommodation.

Requests for reassessments must be made within 7 working days after the graded material has been made available to students (i.e., the day the test is returned). If a student does not claim the returned material within 7 working days after the grade material has been returned to class, the student automatically forfeits the right to request for reassessments. Reassessments should normally be completed within 20 working days of the request. The instructor reserves the rights to adjust the grade upward or downward due to the reassessment.

If a student misses any classes, it is the student's responsibility to cover any materials missed. Answers and solutions to any questions or practice problems taken up in the lectures will not be posted.

Students who hand in their assignments late will be penalized at 10% per day late (i.e., 2 points towards the final grade), including Saturdays and Sundays.

If a student misses the final exam, it is the student's responsibility to petition Academic Counseling, Dean's Office in order to write a special exam in place of the original exam. Academic Counseling will expect the student to submit the appropriate documentation explaining the student's absence during the time of the original exam.

Cheating, plagiarism, and disruption of classes are not permitted; UWO considers these to be serious offences. Students must write their essays and assignments in their own words. Whenever students take an idea or passage from another author, they must acknowledge their debt both by using quotation marks where

appropriate and by proper referencing such as footnotes or citations. (See, "Scholastic Offences" in the UWO Calendar for further explanation).

Plagiarism is a major academic offence. For information on scholastic offences, penalties and other academic rights and responsibilities please see the [Academic Rights and Responsibilities](#) section of the academic calendar.

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 will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com.

University Policy on Cheating and Academic Misconduct: Cheating on exams will not be tolerated; students are referred to the university policy on scholastic offenses (see section 9.0 below). Looking at the test of another student, allowing another student to view your exam, or obtaining information about a test in advance are all examples of cheating. Students found cheating will receive a zero (0%) on that exam. A number of safeguards will be employed to discourage cheating. For example, examination supervisors (proctors) of the tests may ask students to move to another seat during the exam, cover their paper, avert their eyes from other students' papers, remove baseball caps, etc. This is not meant as a personal affront nor as an accusation of cheating, rather as vigilant attempts at proctoring. A copy of guidelines about how to avoid cheating can be obtained from the office of the Ombudsperson, Room 251 University Community Centre, (519) 661-3573.

Students are responsible for understanding the nature of and avoiding the occurrence of plagiarism and other academic offenses. Students are urged to read the section on Scholastic Offenses in the Academic Calendar. Note that such offenses include plagiarism, cheating on an examination, submitting false or fraudulent assignments or credentials, impersonating a candidate, or submitting for credit in any course without the knowledge and approval of the instructor to whom it is submitted, any academic work for which credit has previously been obtained or is being sought in another course in the University or elsewhere. If you are in doubt about whether what you are doing is inappropriate, consult your instructor. A claim that "you didn't know it was wrong" will not be accepted as an excuse.

The penalties for a student guilty of a scholastic offense include refusal of a passing grade in the assignment, refusal of a passing grade in the course, suspension from the University, and expulsion from the University.

Procedures For Appealing Academic Evaluations: In the first instance, all appeals of a grade must be made to the course instructor (informal consultation). If the student is not satisfied with the decision of the course instructor, a written appeal must be sent to the Assistant Program Director or Designate of the BMOS program. If the response of the Assistant Director is considered unsatisfactory to the student, he/she may then appeal to the Dean of the Faculty in which the course of program was taken. Only after receiving a final decision from the Dean, may a student appeal to the Senate Review Board Academic. A Guide to Appeals is available from the Ombudsperson's Office.

Students may want to communicate to the instructor via email. It is advised that these questions require only a short answer. Questions that may need an answer longer than three sentences should be addressed during the office hours. In some instances, the information in the email may be beneficial to the whole class. In this

case, the email may be broadcasted to the class. Students are advised, therefore, not to include private or personal information in any emails.

Project/Assignment Grading Scheme

The project/assignment component comprises 20% towards the final course grade, of which 15% will be achieved through completion of 5 in-class short assignments successfully. The remaining 5% will be from class participation.

(a) In-class assignments / Short quizzes (15%)

Five in-class assignments will be randomly distributed over the course. They are intended to be pop-up assignments that consist of one or two short questions. Students will be awarded either 3, 2 or 0 for each assignment. Grading will be based on students' effort and accuracy.

(b) Class participation (5%)

Attendance will be taken throughout the course. Students are expected to participate in class discussions in order to benefit most from the lectures.

Tentative lecture schedule (subject to change)

Date	Topic	Remark
Sept. 6	Introduction	Introduction to Corporate Finance
Financial analysis and planning		
Sept. 11	Chapter 3	Financial Statement Analysis
Sept. 13	Chapter 4	Financial Planning and Forecasting
Sept. 18	Chapter 5	Financial Markets and Securities
Sept. 20	Chapter 6	Time value of money
Important financial concepts		
Sept. 25	Chapter 6	Time Value of Money
Sept. 27	Chapter 6	Time Value of Money
Oct. 2	Chapter 7	Risk and Return
Oct. 4	Chapter 7	Risk and Return
Oct. 9	Chapter 7	Risk and Return
Oct. 11	Chapter 8	Valuation of Financial Securities
Oct. 16	Chapter 8	Valuation of Financial Securities
Oct. 18	Review	
MIDTERM TEST: Oct. 20, 2012		
Long-term financial decisions		
Oct. 23	Chapter 9	Cost of Capital
Oct. 25	Chapter 9	Cost of Capital
Long-term financial decisions		
Oct. 30	Chapter 10	Leverage and Capital Structure
Nov. 1	Chapter 10	Leverage and Capital Structure
Nov. 6	Chapter 11	Dividend Policy
Nov. 8	Chapter 12	Capital Budgeting
Long-term investment decisions		
Nov. 13	Chapter 12	Capital Budgeting
Nov. 15	Chapter 13	Project Risk
Nov. 20	Chapter 14	Working Capital and Current Asset Management
Nov. 22	Chapter 15	Current Liability Management
Special topics		
Nov. 27	Chapter 16	Leasing, Hybrid Securities and Derivative Securities
Nov. 29	Chapter 17	International Finance and Mergers
Dec. 4	Review	