Financial Theory & Practice FINN 3226-001
Tuesday/Thursday – 3:30 - 4:45 PM
Cameron 101 – Fall 2016
Instructor: Sami Najjar
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Phone: 704-687-5013
Email: ssnajjar@uncc.edu
Office hours: Tuesday/Thursday: 2:00 – 3:15


Supplementary Materials: Non-programmable Financial Calculator

Course Description
The course deals with modern finance theory and its applications to corporate finance. The course will cover equilibrium asset pricing models, efficient markets hypothesis, risk analysis and real options theory in corporate decision-making. The topics of informational asymmetry, optimal corporate structure and dividend policies will also be investigated in detail. Agency conflicts and their impact on corporate performance, financial restructuring and leasing policies will conclude the set of issues to be analyzed.

Course Objectives
The objectives of the course are to ensure that all students have a mastery of the elements of corporate finance and are able to utilize the discussed theories and models to evaluate stocks, bonds, leases and to assess risk in the corporation. Students will be expected to measure cost of capital, make optimal capital budgeting decisions and to determine the best dividend policies and capital structures. They will also be expected to be able to assess agency costs and formulate plans for restructuring, if capital structures are incompatible with the objectives and resources of the firm.

You will be graded on in-class exams and a group project. You will be awarded a grade based on the total points earned from the project and the exams as follows:

| Exam 1: | 150 Points |
| Exam 2: | 150 Points |
| Exam 3: | 150 Points |
| Corporate Analysis Project: | 250 Points |
| Comprehensive Final Exam: | 300 Points |
| **Total:** | **1000 Points** |

Grading Scale:
- A = 900 - 1000
- B = 800 - 899
- C = 700 - 799
- D = 600 - 699
- F = 0 - 599
Attendance
While it makes all the difference in the world for your performance, I will not take attendance. You are either here or you aren’t...you’re either serious or not.

Absences from Examinations.
There will be no makeup or early examinations of any sort. The Final Examination must be taken at the scheduled date and time. If you cannot take the Final Examination for medical reasons, you will be awarded an "I" and can complete the course requirements the following semester. If you miss one of the first three exams, your final examination will have a 400-point weight.

Assignments and Lectures
The principal method of instruction will be primarily by means of lectures and active learning. Students will be expected to actively participate in classroom discussions and the solving of problems. You should be prepared for class by reading the assigned chapters, before the class meets. Solving problems, reading the textbook and participating in classroom discussions are ways in which you can work to improve your understanding of the course material.

Students are expected to have a single, good non-programmable financial calculator to assist them in solving assigned problems. Make sure that you know how to use your calculator as calculator use is your responsibility. Since corporate finance is a dynamic and constantly changing area students are expected to keep abreast of current events in financial markets. This can be achieved by reading the Wall Street Journal, Business Week or Economist, which are all good sources for current information.

Group Project
We will divide into groups in the beginning of the semester for the purpose of practicing corporate analyses and creating a written report that will be turned in at the end of the semester and will make up 25% of the final grade.

Academic Integrity
Students are advised to apprise themselves of, and adhere to the rules specified in the UNC-Charlotte code of student integrity regulations, which will be strictly enforced in this class. View UNCC academic integrity policy here: integrity.uncc.edu

Diversity Statement
The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

Important Dates:
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Notes</th>
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<tbody>
<tr>
<td>September 5</td>
<td>Labor Day</td>
<td>No Classes</td>
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<tr>
<td>October 10-11</td>
<td>Student Recess</td>
<td>No Classes</td>
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<tr>
<td>October 25</td>
<td>Last day to Withdraw from course</td>
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<tr>
<td>November 23 - 26</td>
<td>Thanksgiving Break</td>
<td>No Classes</td>
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<tr>
<td>December 7</td>
<td>Last day of classes</td>
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<tr>
<td>December 13</td>
<td>Final Exam</td>
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Fall 2016 Schedule  FINN 3226 -001

August
23 - Intro / Syllabus / Assign Chapter 1 / Establish Groups
25 - Finalize Groups / Chapter 1 Lecture
30 - Review Corporations/Industries - Discuss Chapter 1 concepts / Assign Chapter 6

September
1  - Chapter 6 Lecture / Assign Chapter 7
6   - Chapter 7 Lecture / Distribute Financial Statements
8   - Ratio Analysis / Assign Chapter 9
13  - Chapter 9 Lecture / Valuation Exercise
15  - Planning/Forecasting Exercise / Review for 1st Exam
20  - EXAM #1 / Assign Chapter 11
22  - Chapter 11 Lecture / Apply Cost of Capital to Corporations / Assign Chapter 12
27  - Chapter 12 Lecture / Assign Chapter 13
29  - Chapter 13 Lecture

October
4   - Apply Capital Budgeting to Corporations
6   - Review for 2nd Exam
11  - STUDENT RECESS - NO CLASSES
13  - EXAM #2 / Assign Chapter 15
18  - Chapter 15 Lecture
20  - Apply Dividends and Repurchases / Assign Chapter 16
25  - Chapter 16 Lecture
27  - Apply Capital Structure Decisions / Assign Chapter 17

November
1   - Chapter 17 Lecture
3   - Apply Dynamic Capital Structure and Corporate Valuation
8   - ELECTION DAY / Review for 3rd Exam
10  - EXAM #3 / Assign Chapter 24
15  - Chapter 24 Lecture - Derivatives and Risk Management
17  - Corporation Analyses
22  - Corporation Analyses
24  - THANKSGIVING BREAK
29  - Submit Corporation Financial Statements and Analyses

December
1   - Corporation Reviews and Strengths
6   - Review for Final
13  - FINAL EXAM