FINANCE 300
CORPORATION FINANCE
SUMMER 1999

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PREREQUISITES

ACC 202 and ECON 202

TEXT

Ross, Stephen A., Randolph W, Westerfield and Bradford D. Jordan, Essentials of Corporate Finance, Irwin Publishing Company, Second Edition, 1999

COURSE PURPOSE AND OBJECTIVE

Finance 300 is designed to provide an understanding of financial decision making from the viewpoint of the corporate financial manager. The course will illustrate a variety of techniques and applications of modern financial theory and practice. Each student will discover how managers are able to increase the value of the firm by obtaining capital in competitive financial markets in order to finance activities in less competitive markets. The evaluation approach emphasizes the value of the cash flows in a risk/return context and how such an approach is consistent with the goal of shareholder wealth maximization. Students successfully completing Finance 300 will have the necessary tools and understanding of the decision making process and the consequences of each financial action.

CALCULATOR

A financial calculator is required for the class. Although particular type of calculator is left up to the individual student, a Texas Instruments BAII Plus is strongly recommended. Two other good calculators would be the Hewlett Packard 10B or the Sharp EL-733A. The financial calculator will not be required until after the 1st exam.

COURSE REQUIREMENTS

Examinations

There will be three one-hour exams given during the semester. Each exam will be worth 100 points and will consist of multiple choice questions and problems. **Copies of past exams are available at Johnny Print across from the Business and Economics Building and on my web page**. There will be no make up exams given for any reason. If a student misses a regularly scheduled exam they will be required to take the final exam. Your score will be a function of the final exam. For example, if you miss a regularly scheduled exam and score a 100 out of 125 on the final, your missed examination score will be 80 (i.e. $100/125 = 80\%$). The exam dates are as follows:

1st exam – June 24th
Calculator quiz – July 7th
2nd exam – July 14th
3rd exam – July 30th
Final exam – August 4th and 5th

Quizzes

There will be six quizzes given during the semester. Each quiz will be worth 10 points. The lowest one (1) quiz score will be dropped. Beyond that there will be no make-up quizzes for any reason except those University excuses defined in the Student Rights and Responsibilities Handbook. One additional quiz worth 50 points will also be give. This quiz will be time value of money problems utilizing the calculator. The 50 point quiz is not eligible to be dropped as the lowest score.

Final Examination

There will be an **optional** comprehensive final exam given on August 4th and 5th (125 points). No student will be required to take the final exam except those who have missed a prior exam. If you elect not to take the final exam you will be given the grade earned after the third examination and quizzes.

Web Page

My home page is http://www.uky.edu/~jcsmol0. From here you can link to the FIN 300 home page which will give you access to a syllabus online, old exams, the home page for the Ross, Westerfield and Jordan textbook, the Texas Instruments BA II Plus home page, and the entire answer key for the end-of-chapter problems for *Essentials of Corporate Finance*.

Academic Dishonesty

Any incident of academic dishonesty on any exam will result in a grade of 0 (zero) for that quiz/exam.

Total points for the semester are:

If the Final Examination is taken

3 Regular Examinations @ 100 points each	=	300
5 Quizzes @ 10 points each	=	50
1 Quiz @ 50 points	=	50
1 Final Comprehensive Exam @ 125 points	=	<u>125</u>
TOTAL	=	525

If the Final Examination is not taken

3 Regular Examinations @ 100 points each	=	300
5 Quizzes @ 10 points each	=	50
1 Quiz @ 50 points	=	<u>50</u>
TOTAL	=	400

Grading

Grades will be distributed as follows:

If you take the final exam

Points	Grade
472-525 (90%)	A
420-471 (80%)	B
367-419 (70%)	C
315-366 (60%)	D
< 314	E

If you do not take the final exam

Points	Grade
360-400 (90%)	A
320-359 (80%)	B
280-319 (70%)	C
240-279 (60%)	D
< 239	E