

FINA 5310.001
Fall, 2020
Online Section

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Office hours by appointment,
Via Zoom. (No office hours
during finals week).

Course Title: Advanced Topics in Financial Management
Required Text: Principles of Corporate Finance by Brealey, Myers and Allen, 12th ed.

Course Prerequisites:

FINA 5170. ECON 1100 or 5000 or equivalent. ACCT 2010 or 5020 or equivalent. MATH 1190 or equivalent.

Course Description:

This course seeks to explain the fundamental financial concepts of risk, return, efficient markets and embedded options that underlie corporate decisions in the areas of project valuation, dividend policy and capital structure.

Course Objectives:

The central objective of the course is to understand the theory that underlies corporate financial decision making. Sub-objectives thus include understanding the pricing of risk in financial markets, understanding the relation between market efficiency and corporate financing, understanding dividends and capital structure and understanding the valuation of real options that are often imbedded in otherwise ordinary capital budgeting problems. Detailed learning objectives for the course are provided in the module titled *getting started* and detailed unit learning objectives are provided in the module for each unit.

Access to Class:

With the exception of exams, all other portions of the course will online. You can access the course material in Canvas at <https://unt.instructure.com/login/canvas>. After you login in using your EUID and password, click on FINA 5310 from the list of courses. If you run into technical problems while using Canvas then please call 940 565 2324 or email clearhelp@unt.edu.

Online Course Structure:

A new study unit will be made available on a Thursday. This will comprise video lectures, PDF (Adobe Acrobat) notes and PDF solutions to homework problems. You will also be referred to the relevant pages in the text. On the following Saturday at 8 A.M., a discussion forum will be opened for posting questions and comments. I will participate in discussion forums to provide guidance and to answer specific questions that you ask me. The discussion forum will close at noon on the following Thursday.

All materials are grouped into modules on Canvas.

Exams will be posted on Canvas. All exams are open book /open notes. **Time limits on exams will be strictly enforced.**

The open and close times for discussion forums will be strictly observed but the material in all modules will be posted before the start date and will be there until the end of the course. The time intervals for modules are suggestions. These are still important because staying within the interval will let you participate in, and gain from, the discussions.

For communications not directly related to discussion topics, you may either send me messages through Canvas or send email to mazhar.siddiqi@unt.edu.

Eagle Connect Account:

All students should activate and regularly check their EagleConnect (e-mail) account. You may obtain information about Eagle Connect at <https://eagleconnect.unt.edu/>.

Homework:

Homework consists of problems from the text and elsewhere. I do not grade homework. However your success on the exams will depend, to a large extent, on your ability to do homework problems.

Exams:

There are three exams. The first exam is worth 30% of your grade, the second exam is worth 30% of your grade and the final exam is worth 40% of your grade. The final exam is not comprehensive. Please make your travel arrangements carefully as exams are allowed on only the scheduled exam dates and there are no makeup exams.

Required Equipment for Exams

A web camera or a laptop with integrated camera is required for all remote exams. It is your responsibility to obtain a properly functioning camera for remote exams. Your test score will be invalid without a functioning camera. All remote exams will be administered through Canvas using Respondus Lockdown Browser with Camera option. Respondus Lockdown browser can be downloaded through your Canvas account.

Grades:

A, 90 - 100; B, 80 - 89; C, 70 - 79; D, 60 - 69; F, 0 - 59.

Grades will be posted on Canvas. I do not disclose grades by phone or email.

Notice for International Students:

This course qualifies for an exemption to the one-online-class-per-semester rule as long as the exams are taken at the Denton campus location. In other words, an international student may take this course along with another fully online course (that does not qualify for the exemption) as part of the nine credit hour requirement for a full course load. It is the student's responsibility to complete the paperwork for this exemption and to obtain the instructor's signature on the appropriate form. The form is available at <http://international.unt.edu/node/482>. The completed form must be returned to the International Student/Scholar Services before the end of the first week of classes.

Notice for Students with Disabilities:

The University of North Texas is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 – The Rehabilitation Act of 1973 as amended. With the passage of new federal legislation entitled Americans with Disabilities Act (ADA), pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.

As a faculty member, I am required by law to provide reasonable accommodations to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. Information regarding specific diagnostic criteria and policies for obtaining academic accommodations can be found at <http://www.unt.edu/oda/apply/index.html>. Also, you may visit the Office of Disability Accommodation in the University Union (room 321) or call them at (940) 565-4323. If you need an accommodation, please contact me as soon as possible but at the latest by the second week of class.

Academic dishonesty:

Academic dishonesty is defined in the UNT Policy on Student Standards for Academic Integrity. Any suspected case of Academic Dishonesty will be handled in accordance with University policy and procedures. Possible academic penalties include a grade of "F" in the course. You will find the policy and procedures at <http://vpaa.unt.edu/academic-integrity.htm>

Student Perceptions of Teaching (SPOT):

The Student Perceptions of Teaching (SPOT) is a requirement for all organized classes at UNT. This short survey will be made available to you at the end of the semester, providing you a chance to comment on how this class is taught. Your comments are an essential input in the process of continuous teaching improvement. So, please participate. The administration of the SPOT will begin a few weeks before the end of the semester and remain open for about two weeks.

Course Outline:

This is a tentative outline and minor changes may be made during the semester.

The times given with each lecture are the start and end times on video. The entire video may not be relevant for the unit. For example Lecture 1, time 0:07 to 2:29, means that the relevant material starts at minute 7 of the video and goes till 2 hours and 29 minutes into the video.

	<u>Topic</u>	<u>Assignments</u>
Thu, Aug 27 UNIT 1	Financial risk And Return	Watch Lecture 1, time 0:07 to 2:29. Watch Lecture 2, time 0:04 to 0:15. Read Ch. 7 in text, pp162-185. Study Ch. 7 notes. Attempt Ch.7 homework. Study Ch. 7 solutions. Watch Lecture 2, time 0:15 to 0:58.
Sat, Aug 29	Discussion Forum on Unit 1 Open at Noon	
Thu, Sep 3	Discussion Forum on Unit 1 Closed at Noon	
Thu, Sep 3 UNIT 2	Capital Asset Pricing Model and Applications	Watch Lecture 2, time 0:59 to 2:11. Watch Lecture 3, time 0:37 to 2:00. Read Ch. 8 and Ch. 9 in text, pp192-202, 221-235. Study Ch. 8 and Ch. 9 notes. Attempt Ch.8 and Ch. 9 homework. Study Ch. 8 and Ch. 9 solutions. Watch Lecture 3, time 0:00 to 0:36. Watch Lecture 4, time 1:33 to 2:15.
Sat, Sep 5	Discussion Forum on Unit 2 Open at Noon	
Thu, Sep 10	Discussion Forum on Unit 2 Closed at Noon	

		<u>Topic</u>	<u>Assignments</u>
Thu, Sep 10	UNIT 3	Market Efficiency	Watch Lecture 4, time 0:15 to 1:32. Read Ch 11 and Ch 13 in text, pp279-293, 327-339, 342-346. Study Ch 11 and Ch 13 notes Attempt Ch11 and Ch 13 homework Study Ch 11 and Ch 13 solutions Watch Lecture 6, time 0.00 to 1.23.
Sat, Sep 12	Discussion Forum on Unit 3 Open at Noon		
Thu, Sep 17	Discussion on Unit 3 Closed at Noon		
Thu, Sep 17	REVIEW	UNITS 1 through 3	Review all the material in units 1, 2 and 3.
Sat, Sep 19	Review Forum Open at Noon		
Thu, Sep 24	Review Forum Closed at Noon		
Tue, Sep 29	EXAM 1	Start 9 A.M.	End 12 noon.

		<u>Topic</u>	<u>Assignments</u>
Thu, Oct 1	START UNIT 4	Dividend policy	Watch Lecture 6, time 1:23 to 1:49 Watch Lecture 7, time 0:03 to 1:46 Read Ch 16 in text, pp 410-424 Study Ch 16 notes Attempt Ch16 homework Study Ch 16 solutions Watch Lecture 8, time 0.00 to 1.11.
Sat, Oct 3	Discussion Forum on Unit 4 Open at Noon		
Thu, Oct 8	Discussion on Unit 4 Closed at Noon		
Thu, Oct 8	START UNIT 5	Capital Structure with Taxes	Watch Lecture 7, time 1:46 to 2:35 Watch Lecture 10, time 0:01 to 0:54 Read Ch 18 in text, pp460-483. Study Ch 18 notes Attempt Ch18 homework Study Ch 18 solutions Watch Lecture 11, time 0.05 to 0.57.
Sat, Oct 10	Discussion Forum on Unit 5 Open at Noon		
Thu, Oct 15	Discussion Forum on Unit 5 Closed at Noon		
Thu, Oct 15	START UNIT 6	Capital Budgeting, Subsidized Financing	Watch Lecture 11, time 0:57 to 2:35 Read Ch 19 in text, pp491-503, 508-510 Study Ch 19 notes Attempt Ch19 homework Study Ch 19 solutions Watch Lecture 12, time 0.02 to 0.49.
Sat, Oct 17	Discussion Forum on Unit 6 Open at Noon		
Thu, Oct 22	Discussion Forum on Unit 6 Closed at Noon		
Thu, Oct 22	REVIEW	UNITS 4 through 6	Review all the material in units 4, 5 and 6.
Sun, Oct 25	Review Forum Open at Noon		
Thu, Oct 29	Review Forum Closed at Noon		
Tue, Nov 3	EXAM 2	Start 9 A.M.	End 12 noon.

		<u>Topic</u>	<u>Assignments</u>
Thu, Nov 5	START UNIT 7	Option Basics	Watch Lecture 12, time 1:49 to 2:33 Read Ch 20 in text, pp525-541 Study Ch 20 notes Attempt Ch20 homework Study Ch 20 solutions Watch Lecture 13, time 0.04 to 0.28.
Sat, Nov 7	Discussion Forum on Unit 7 Open at Noon		
Thu, Nov 12	Discussion on Unit 7 Closed at Noon		
Thu, Nov 12	START UNIT 8	Option Valuation	Watch Lecture 13, time 0:29 to 1:41 (Last 10 minutes is review of Ch. 20) Read Ch 21 in text, pp547-563 Study Ch 21 notes Attempt Ch21 homework Study Ch 21 solutions Watch Lecture 14, time 0.00 to 1.04.
Sat, Nov 14	Discussion Forum on Unit 8 Open at Noon		
Thu, Nov 19	Discussion on Unit 8 Closed at Noon		
Thu, Nov 19	START UNIT 9	Real Options	Watch Lecture 14, time 1:04 to 1:54 Read Ch 22 in text, pp573-591 Study Ch 22 notes Attempt Ch22 homework Study Ch 22 solutions Watch Lecture 15, time 0.02 to 1.44 (last 24 minutes are a review of previous chapters).
Sat, Nov 21	Discussion Forum on Unit 9 Open at Noon		
Thu, Nov 26	Discussion on Unit 9 Closed at Noon		

	<u>Topic</u>	<u>Assignments</u>
Thu, Nov 26	REVIEW UNITS 7 through 9	Review all the material in units 7, 8, and 9.
Sat, Nov 28	Review Forum Open at Noon	
Thu, Dec 3	Review Forum Closed at Noon	
Tue, Dec 8	FINAL EXAM Start 9 A.M.	End 12 noon.