

# Corporate Finance Economics 106F

UCLA Summer Session C, 2017

## Syllabus

**Instructor:** Dr. Patrick Convery  
**Office:** Bunche 8240  
**Prof Office Hours:** TBD  
**email:** [pconvery@ucla.edu](mailto:pconvery@ucla.edu)

### Lecture Time and Location

TBD

### Course Description

This course is intended to teach you the theory of corporate finance and valuation. This theory is of important economic interest. It also forms the basis of the technical component of most finance and investment banking interviews. Basic topics include time value of money, discounted cash flow analysis, and the CAPM model.

### Course Text: (required)

- *Corporate Finance*, (third) edition, by Jonathan Berk and Peter DeMarzo.

### Computation of the Course Grade

The course grade will be based on a midterm exam and a cumulative final exam. Missed exams and homework assignments may not be made up. The exams have the following weights:

- 40% Midterm Exam (covers approximately Chapters 1-8)
- 60% Final Exam (covers all Chapters, all lectures)

## Tentative Course Schedule

<b>Week</b>	<b>Topic</b>	<b>Chapters</b>
<b>1</b>	<b>Introduction</b> Introduction Financial Statements & Ratios I <b>Time &amp; Money</b> Net Present Value	Chpt 1 Chpt 2  Chpt 3
<b>2</b>	Net Present Value (continued) Interest Rates and Bonds	Chpt 4 Chpt 5 & 6
<b>3</b>	<b>Valuation</b> Investment Decision Rules Capital Budgeting Stock Valuation <b>MIDTERM</b> in class, Thursday of week 3	Chpt 7 Chpt 8 Chpt 9
<b>4</b>	<b>Risk &amp; Return</b> Risk and Return CAPM	Chpt 10 Chpt 11
<b>5</b>	Beta Investor Behavior and Alpha	Chpt 12 Chpt 13
<b>6</b>	<b>Capital Structure</b> Modigliani & Miller I (time permitting) <b>FINAL EXAM</b> in class, Thursday of week 6	Chpt 14

## Where to Direct Questions:

### Types of Questions

- Administrative (course enrollment, advice), contact: [ug-counselor@econ.ucla.edu](mailto:ug-counselor@econ.ucla.edu)
- Administrative (switching sections) contact: Ed McDevitt ([mcdevitt@econ.ucla.edu](mailto:mcdevitt@econ.ucla.edu))
- Course Material: your TA and their section and office hours; my office hours

### Course Enforced Policies

- There are no make-up exams. Exam dates are indicated in the syllabus. Therefore, if you cannot take an exam on the specified date, you are advised to drop the course.
- There are no make up homework or other assignments.
- There are no extra credit assignments available.
- The use of electronic devices such as cellphones, tablets, and devices that allow you to communicate with others, is strictly banned. You will be reported for cheating if caught using them during exams. Therefore, you must turn off all your electronic devices during exams.
- All grades are final when filed by the instructor on the Final Grade Report.  
Academic Dishonesty Any cases of academic dishonesty will be reported to the Office of the Dean of Students. For more details please refer to the Office of the Dean of Students website at <http://www.studentgroups.ucla.edu/dos/>
- **EXAM RULES**
  - Please note that calculators are NOT allowed for the exams. You will NOT be allowed to have cell phones or any other electronic devices on your desk during the exam.
  - Once the exam begins, you will not be allowed to leave the room until you hand in your exam, so please plan accordingly.
  - All backpacks should be zipped closed and all books put away. Failure to do so will delay the distribution of the exams for the entire class.
  - When I call for the exams, all writing must stop.
  - All that students should have on their desks is a pen/pencil (s) and their photo ID card (which functions as a straightedge for drawing graphs). You need to bring a valid form of picture ID on scheduled days of exams. You will not be allowed to take the exam without one.

- **POLICY ON MISSED EXAMS:** Exams must be taken at their scheduled time. Please note that under no circumstances will a makeup exam be administered if a student misses a midterm. If a student has a legitimate emergency (by “emergency” I mean serious and unanticipated) and can provide acceptable documentation of such of an emergency, then additional weight will be placed on the final exam. Any such documentation, such as a doctor’s note, should clearly state that the student was incapacitated and was therefore unable to take the exam or faced a serious impediment that prevented attendance at the exam. A student who misses an exam without a valid, verifiable excuse will receive a zero. If due to a verifiable emergency, a student misses the final exam, then that student will be required to take a makeup final exam administered by the department at the officially announced day and time . If a student misses all exams this student will receive an automatic grade of “F”.
- **ACADEMIC DISHONESTY** Any cases of cheating will be reported to the Office of the Dean of Students. For more details please refer to the Office of the Dean of Students website at <http://www.studentgroups.ucla.edu/dos/>
- **DISABLED STUDENTS and the OFFICE of STUDENT DISABILITIES (OSD):** Any student with a pre-existing illness or condition who requests special arrangements must (a) qualify under OSD rules for such special arrangements and (b) must take the exam with OSD. Any such arrangements with OSD must be made the first week of classes. The instructor must be informed of any such arrangement in the first week of classes. For additional information and the qualification conditions of the Office of Student Disabilities (OSD), please visit their website at <http://www.osd.ucla.edu/Index.htm> . All other students must take the exam at the scheduled time under the same time constraints. It is the responsibility of all students who request special arrangements with OSD to be familiar with all of their rules as well as the rules of this class.