

### **Study Requirements**

Successful completion of FIN 101 requires good study habits, including:

- a. Regular study of material covered in class and solving all exercises and problems assigned.
- b. Thorough practice and application of the formulas on the problems at the end of each chapter.
- c. Advanced preparation for exams, especially if they include quantitative material.
- d. Asking for help during office hours if you encounter problems.

You should estimate a minimum of **four hours** of study per week, with more time allocated for exams.

**NOTE: Students who score less than 65 in the first and/or second exam should see me during office hours. The purpose of the meeting will be to advise you on how to improve your performance.**

### **Attendance Policy**

Class attendance is mandatory. Attendance records will be taken randomly. Frequent absences will affect grade.

### **Methods of Evaluating Students**

Students will be evaluated on the basis of (i) three exams, (ii) a project; and (iii) an optional assignment of extra credit problems. Class participation and demonstration of intellectual curiosity and interest are highly recommended and can impact positively overall student evaluation.

Specific requirements include the following:

#### **1. Exams**

There will be three exams, which will include 20 to 30 multiple-choice questions plus problems and essay questions as warranted by the subject matter. The final exam will include also questions and problems from chapters 3 (time value) and 4 (risk and return) of the Textbook..

**Mid-term exam #1:** Chapters 1, 2 , and 3 from (BB); chapter 1 (Global Finance) from (SUP)

**Mid-term exam #2:** Chapters 4 and 16 from (BB); chapters 2 (Options)and 3 (Futures) from (SUP).

**Final Exam:** Chapters 5 from (BB); chapters 5 (Non-Banks), 6 (Depository Institutions) and 7 (Money Market Instruments) from (SUP); problems and questions from chapters 3 and 4 from (BB).

**(BB)** stands for Besley and Brigham. **(SUP)** stands for Supplement. The Supplement can found in the Finance Department home page.

## 2. Extra Credit

Students willing to earn up to **ten extra points** are invited to work on ten problems that represent useful extensions of the analytical concepts covered in the course.

NOTE: To earn the 10 Extra Credit points a student must have scored 60 or better in two of the three exams.

**Deadline: Tuesday, May 10, 2005.**

## 3. Homework

For the sake of practice and preparing for exams, students must solve the following end-of-chapter problems on a regular basis and be ready to discuss them in class. These are labeled “exam-type problems” in the Textbook. Their solutions can be found in the Appendix.

**Ch. 3.** Set 1: 19, 20, 21.

**Ch 3.** Set 2: 22, 23, 24, 25, 26, 27, 28, 29.

**Ch. 4.** Set 3: 3, 4, 5, 6, 7.

**Ch. 5.** Set 4: 12, 13, 14, 15.

**Ch. 5.** Set 5: 16, 19, 21, 22.

**Each set of homework problems** must be handed in at the completion of the corresponding material. Homework not submitted, or submitted late will result in the loss of **three points per set** from the final course score.

I will solve several representative problems in the class.

ATTENTION: Solutions to all problems from Chapters 3, 4 and 5 are on electronic reserve. Look under FINANCE 101 (name of instructor does not matter). The Password is FIN101.

## 4. Term Project

Students will be involved in a project called "**Evaluation of Investment Performance in International Equity Markets.**" Each student will follow the U.S. Standard and Poor's 500 Stock Index and one foreign stock market index by collecting weekly index values, which will be used to calculate several evaluation measures.

This project has the purpose to familiarize students with the international environment of securities markets, sharpen their information gathering and processing skills, and link textbook material to real-world situations. Details of the project are supplied separately.

**Deadline: Tuesday, May 10, 2005.**

### Grading Policy

Mid-term Exam #1: 25%

Mid-term Exam #2: 30%

Final Exam: 30%

Project: 15%

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100%

Extra credit problems: up to 10 points will be added to the final score, if 60 or > in 2 of 3 exams.

## **OTHER RULES**

1. Late assignments without serious cause **may not** be accepted.
2. In the case of inability to fulfill obligations related to assignments or exams, advanced or otherwise timely notification of the instructor is required.
3. If by the time grades must be submitted any exams or assignments are missing without permission of the instructor, the student will receive a grade based on work up to that time.
4. Incomplete grades **INC** will be granted only to students who have taken two of the exams and have a passing grade up to that point.
5. The Finance Department reserves certain dates for make up exams. Permission for make up exams is **granted only by the instructor for very important reasons - read relevant policy.**

**Remember: You are preparing for management careers. The hallmark of good management is good organization and execution. Please apply both in this and every other class.**

*I hope you enjoy this class*

*JP*