

CORPORATE FINANCE

Course Number: 24 BCL 709

Call Number: 000070

Semester: Fall 2011

Professor: Bai

Credits: 3 Classroom

Primary Basis for the Grade: Tentatively Paper; Letter Grade

Prerequisites: Corporations I

Enrollment: Open

Meets Seminar Requirement? No

Meets Writing Requirement? No

Meets Client Counseling Requirement? No

Meeting Times: W & H 3:05-4:30

Location: 302

COURSE DESCRIPTION:

This course teaches concepts and methodologies used by corporations in major financing activities, as well as legal issues that may arise in those activities. Course materials are divided into four parts: equity financing, debt financing, valuation methodologies, and financial derivatives. For equity financing, discussions will focus on the IPO process, ADRs and GDRs, rights offerings and stock repurchases. For debt financing, discussions will focus on bond features and trading environment, bond issuance, valuation and risk management, convertible bonds, key provisions in an indenture and legal implications, characteristics of medium term notes and commercial paper programs. For valuation methodologies, discussions will focus on discounted cash flows, net present values, and dividend discount models. For financial derivatives, discussions will focus on options trading, pricing and risk management, the futures market and interest rate swaps.