



Basic Course Information: This course discusses the Capital asset pricing model, cost of capital, capital structure and dividend policy. Prerequisites: FINC 232 and BUS 209.

Course Prefix/Number: FINC 341

Course Title: Corporate Finance

Class Meeting Times: MW 5:00pm – 6:15pm

Instructional Modality: Online/On site

Class Location: B311

Instructor: Dr. Mariam Al Sabah

Office Location: A418

Office Phone: : 1802040 Ext:3526

Email: malsabah@auk.edu.kw

Office Hours: MW 1:50pm – 4:50pm

AUK Mission Statement:

The American University of Kuwait is a liberal arts institution based on the American model of higher education. It is dedicated to providing students with knowledge, self-awareness, and personal growth experiences that can enhance critical thinking, effective communication, and respect for diversity. AUK seeks to create leaders and lifelong learners who aspire to the highest standards of moral and ethical responsibility in their societies.

Department/College Mission Statement:

The College of Business and Economics provides an American educational experience producing ethical, innovative, articulate, and globally agile graduates. The College of Business and Economics strives to uphold the following values: Freedom of thought, expression, and intellectual inquiry, respect for individual identity and rights, and cultural diversity, commitment to high standards of morality, integrity, and social responsibility, and adherence to high professional standards and ethics.

Catalog Course Description: Capital asset pricing model, cost of capital, capital structure and dividend policy. Prerequisites: FINC 232 and BUS 209.

Degree of learning for each Program Learning Outcomes in this course:

Program Learning Outcomes (PLOs)	
PLO1: Communication: Demonstrate effective English language communication skills in writing and oral presentations	
PLO2: Ethical behavior: Articulate ethical and professional responsibilities, recognize ethical dilemmas, and formulate ethical strategies.	R
PLO3: Critical thinking: Identify, evaluate, analyze, and solve diverse and unstructured management problems in unfamiliar settings, use, synthesize, and evaluate data/ evidence, exercise judgment, and assess risks, understand the holistic and systemic nature of the organization and its internal and external environment.	A
PLO4: Global and multi-cultural aspects of business: Understand diverse cultures; develop intercultural skills; understand global processes; and be prepared for citizenship, both local and global.	
PLO5: Entrepreneurial behavior: Entrepreneurship is value creation, iterative learning, opportunity identification, business development, venture creation and growth. Becoming entrepreneurial is personal development, creativity, self-reliance, initiative taking, and action orientation.	A
PLO6: Technology Agility: Develop a mastery of appropriate ICT in decision- making.	

Course Objectives: As the goal of a financial manager is to maximize current shareholders' wealth, our objectives for this course would be to learn how a financial manager will attain the stated goal through different financial decisions.

Course Learning Outcomes: Upon successful completion of the course, students will be able to:

Course Learning Outcomes (CLOs)	Corresponding PLO
CLO1: Understand the capital structure and leverage	PLO3
CLO2: Understand capital investment decisions under uncertainty	PLO3
CLO3: Learn the working capital management process	PLO3 & PLO5
CLO4: Understand financial risk management	PLO3

CLO5: Understand and calculate the effect on value of capital structure decisions	PLO3
CLO6: Understand Real options and other topics in capital budgeting	PLO3

Course Delivery/Methodology: For this course we will be meeting in-person/online three times per week and material will be presented through lectures. All course materials such as lecture slides/readings/videos will be posted on Moodle, which can be accessed at <https://lms.auk.edu.kw>. All assignments must also be submitted through Moodle. You will be completing the following evaluations for this course: assignments and exams. To successfully complete this course, you must demonstrate a strong understanding of the subject material through exams, pop quizzes, projects, and participation.

Required Textbook/Required Readings:

Corporate Finance, by Ross, Westerfield, Jordan, Bley. Middle East Edition, McGraw-Hill, 13e. You will be provided with a link to buy the ebook.

Evaluations and Grading:

Evaluation Type	Weight	Link to PLO
Participation	10%	PLO1
Quizzes	20%	PLO1 & PLO3
Midterm Exam	35%	PLO3
Final Exam	35%	PLO3
Total	100%	

Assignments should be submitted through Moodle rather than email or on another file-sharing server.

Participation: Students are expected to participate in class on a regular basis. Students will be penalized for lack of participation.

Quizzes: Quizzes will be pop quizzes and scheduled quizzes.

Midterm Exam: Chapters included in the mid-term exam are yet to be confirmed as we will see how we progress through the semester.

Final Exam: Students will be examined on all chapters covered in the course.

AUK Official Grading Scale:

Letter Grade	Percentage	University Points
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A	94-100	4.0
A-	90-93	3.7
B+	87-89	3.3
B	84-86	3.0
B-	80-83	2.7
C+	77-79	2.3
C	74-76	2.0
C-	70-73	1.7
D+	67-69	1.3
D	64-66	1.0
D-	60-63	0.7
F	0-59	0.0

AUK Attendance Policy:

Any student who misses more than 15% of class sessions of any course during a semester should expect to fail, unless she/he submits documented evidence to the course instructor of inpatient medical care, death of an immediate family member, academic instructional activities, or national athletic activities. If excused, students are required to satisfy all coursework due or assigned during their absence as determined by the course instructor. If a student does not submit documented evidence for her/his absence exceeding the limit, it is the student's responsibility to withdraw from the course by the specified deadline, as indicated on the academic calendar. Students who withdraw from a course receive a grade of "W". Students who do not withdraw from a course nor submit supporting documents for excessive absences will receive a grade of "FN" (failure for non-attendance).

Code of Academic Honesty and Integrity:

Upon admission to the American University of Kuwait, students agree to act responsibly in all areas of academic, personal and social conduct and to take full responsibility for their individual and collective action. Such regulations are found in the American University of Kuwait Catalogue, Student Handbook, and the AUK website at www.auk.edu.kw. Any question of interpretation regarding the code of academic honesty and Integrity shall be reported to the appropriate academic dean. The Code shall be reviewed annually at the discretion of the academic deans. Any student or student organization found to have committed the cited violations or misconduct, either on or off campus, is subject to the disciplinary sanctions outlined in adjudication procedures.

Plagiarism:

The term "plagiarism" includes, but is not limited to, an attempt of an individual to claim the work of another as the product of his or her own thoughts regardless of whether that work has been published. Plagiarism includes, but is not limited to, quoting improperly or paraphrasing text or other written materials without proper citation on an exam, term paper, homework, or other written material submitted to an instructor as one's own work. Plagiarism also includes handing in a paper to an instructor that was purchased from a term paper service or downloaded from the Internet and presenting another person's academic work as one's own.

Cheating:

The term "cheating" includes but is not limited to, copying homework assignments from another student; working together with another individual on a take-home test or homework when not

approved by the instructor, looking at and/or copying text, notes or another person's paper during an examination when not permitted to do so. Cheating also includes the giving of work information to another student to be copied and/or used as his or her own. This includes but is not limited to giving someone answers to exam questions either when the exam is being given or after having taken an exam; informing another student of specific questions that appear or have appeared on an exam in the same academic semester; giving or selling a term paper, report, project or other restricted written materials to another student.

Academic Support:

Learning Support Services focuses on empowering students to become independent and successful learners by developing their literacy skills, enhancing their understanding, and helping them improve their academic and study skills. Learning Support Services is comprised of two centers: the Tutoring Center and the Writing Center. The Tutoring Center provides free academic support in various subjects to AUK student. Email: tutoringcenter@auk.edu.kw.

The Writing Center provides multilingual support (English, Arabic, French, and Spanish) through individual or small-group consultations. Email: writingcenter@auk.edu.kw

Disability Accommodations:

AUK provides equal and inclusive educational environment in order to enable all students to meet and perform requisite academic standards and to participate in the opportunities and activities of its community. If you believe you can benefit from accommodations for a learning, physical, or mental health disability, [click here to book a session through the Counseling Center/Disability Services Booking Page](#), to ask about disability services at AUK, initiate an accommodation plan, or receive disability services. You can also email counseling@auk.edu.kw if you need assistance in booking a session.

Course Policies/Student Responsibilities:

- A financial calculator is **REQUIRED** (Recommended financial calculator: Casio FC 100V)
- Be prepared and on time
- Refrain from using personal phones during class time
- Attend and participate regularly
- Check your AUK email regularly to receive all relevant announcements and communication
- When writing, ensure to use formal, respectful, professional language and double-check spelling/grammar function before sending/posting. This applies to emails, typing on Zoom chat, posting on discussion boards, assignments, or any other form of writing you will complete within the context of this course
- Check the discussion board frequently and respond appropriately and on subject
- Cite all quotes, references, and sources
- Capitalize words only to highlight a point. Otherwise, capitalizing is generally viewed as SHOUTING!
- Do not dominate discussions and allow other students to post or join in
- It is not appropriate to forward someone else's messages or emails without their permission
- Recording Zoom sessions is prohibited

- Students are expected to stay in class while the class is in progress (this is not applicable for students who have underlying conditions).
- Students who disrupt class by continually leaving and re-entering class will have points deducted.
- Be mindful of everyone's privacy. Taking videos or pictures of the class sessions is both inappropriate and in violation of the AUK Code of Conduct
- Be respectful of other people's opinions and allow them to complete their sentences before you jump in
- Mute your microphone when you are not speaking, and try to reduce, as much as possible, external noise
- Choose the right background and dress appropriately so you are not in violation of the dress code
- Be straightforward and brief when possible to allow everyone a shot at interacting

Late and Missing Work Policy:

Late/Missing work will not be accepted.

Make-Up Work Policy:

There will be no make-up work.

Communication Policy:

Please be sure to use your official AUK email account, write your full name, and indicate which class and section you are taking when you send me an email. If you have a question, please check the syllabus first and if your question is not answered there, then please feel free to send an email and I will be happy to clarify. I respond to questions via email or posted on the discussion forum within 24 hours of receiving them; if I do not respond within 24 hours, please re-send the email. Please note I normally respond during these working hours: 8:00 am – 8:00 pm during weekdays. Emails sent on weekends will be responded to on Sunday.

Technology Issues:

All assignments must be submitted through Moodle. However, you may experience trouble submitting an assignment due to technology or internet issues. If such a situation does arise and you are unable to submit your assignment through Moodle, please send me an email at malsabah@auk.edu.kw and include the **completed** assignment. Please make sure that you email me the assignment **before** the deadline as this documents that you did finish everything by the due date and time, but that you just had a technology issue. This will ensure that your assignment will be accepted, and you will not a 0. Once the technology or internet issue is resolved, please upload the assignment to Moodle. In general, always be sure to frequently save your files and keep backups of your assignments.

Course Schedule:

This schedule is **tentative**, we will see how we progress along the course and adjust when necessary.

Week	Topic	Assignments and Readings
1	Introduction to Corporate Finance	
2	Net Present Value and Other Investment Rules	
3	Net Present Value and Other Investment Rules	
4	<i>Holiday</i>	<i>No class on Monday</i>
5	Making Capital Investment Decisions	
6	Risk Analysis, Real Options, and Capital Budgeting	
7	Return and Risk: The Capital Asset Pricing Model (CAPM)	
8	Risk, Cost of Capital, and Valuation	
9	Capital Structure: Basic Concepts	Midterm
10	Break	
11	Capital Structure: Limits to the Use of Debt	
12	Dividends and Other Payouts	
13	Presentations	Presentation
14	Presentations	
15	Review	
16	Final Exam Week	Final Exam

Syllabus Changes:

There may be changes to the schedule and syllabus during the semester. When this happens, I will inform you in class and over email.