Finance 423/523
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UNIVERSITY OF ROCHESTER
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Corporate Financial Policy & Control
Spring 2013

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COURSE OUTLINE

Course will cover the theory & evidence about major corporate financial policy decisions

• alternative methods of issuing & retiring securities
• mergers and acquisitions
• market for corporate control

Discussion of "current events" will be part of some lectures (WSJ)
### Books & Readings

**Recommended texts for this course are:**


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Grading

I expect that students will come to class prepared by having read the necessary material

- Active, high quality class participation will enhance grades

No exams

One homework exercise replicating results in some paper (TBD) from the course

Grading (continued)

PhD students must write a paper (due 5/23)

Groups of 3-5 MBA students must write a paper

PhD students will write a few “referee’s reports” on papers that we will discuss

MBA students will write individual “reading responses”
Grading (continued)

Every PhD student must lead the discussion of some paper during the course

Every group of 3-5 MBA students must lead the discussion of some paper during the course

• I will be available to help you plan your lecture
• I will supplement what you say in class
• You should find a topic that interests you and volunteer early.

Grading (continued)

MBA Group grading:
• turn in grade assignment sheet on Thursday, May 16 (no later), or group members receive equal credit

Regrading:
• write a memo and attach it to the (unaltered) graded assignment
• no personal negotiation
• 10% "fee" charged for regrade requests
  • refundable if grade is changed upwards
### Topics -- Securities Offerings

- Venture Capital
- Initial Public Offerings of Common Stock
- Primary Distributions of Seasoned Stock
  - Underwriting, Rights, or Private Placements
- Corporate Bond Financing
- Intra-Firm Exchange Offers and Recapitalizations
- Convertible Debt
- Repurchase Tender Offers

### Topics -- Corporate Control

- Mergers & Tender Offers
- Going Private/Leveraged Buyouts
- Antitrust Law and Public Regulation
- Defensive Tactics
- Corporate Raiders and Greenmail
- Proxy Fights
- The Value of Corporate Control
- Divestitures and Spinoffs (unlikely to get there)
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