



Carleton
University

Sprott
School of Business

Carleton University
Sprott School of Business

BUSI 4500 B
Advanced Corporate Finance
Winter 2023

Course Instructor Paul Wefers Bettink
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Virtual Office Hours TBA via Zoom

TA: TBA

Modality: In class

Lecture Location and Lecture Time:

Date and Time Thursday 2:35 pm - 5:25 pm (14:35 – 17:25)

Building and Room Nicol Building 4020

Advanced Corporate Finance

This course represents an in-depth examination of some of the major theoretical issues in corporate finance, and therefore, it requires empirical research and analyses and presentations of articles from the finance literature.

Course Calendar Description: An in-depth examination of some of the major theoretical issues in corporate finance. This course requires analyses and presentations of both articles from the finance literature and case studies.

Prerequisites:

Fourth-year standing. BUSI 3500, BUSI 3502, BUSI 3512 (with a grade of C- or higher in each). STAT 2602 or STAT 2607 with C- or higher. The School of Business enforces all prerequisites.



COURSE OBJECTIVES

The course has two objectives. The first objective is to probe a few selected topics in finance theory and (more importantly) the related empirical evidence that are of interest to finance managers and capital market participants. Given the breadth and depth of issues in corporate finance, it is almost impossible to cover all topics of interest. This year we will cover the following areas of particular interest and intrigue: Risk and expected returns, event analysis, capital structure, dividend policy (including alternatives to dividends, such as share buybacks), mergers & acquisitions, and initial public offerings. The second and more important objective of this course is to provide students the opportunity to conduct empirical research on a topic that is of particular interest to them. It is expected that students taking this course have the necessary background in Statistics and Economics and are expected to read and refer to their statistics textbook during this course as well as be comfortable with Statistical functions in Excel and have working knowledge of statistical packages like SPSS, Eviews, R, and Stata.

COURSE READINGS AND MATERIAL

The course would be based on contemporary papers/assigned readings in the selected areas. Students are required to obtain copies of the papers that are listed below. In addition, interested students can read the following books as supplemental readings to augment their knowledge and to get a better understanding of the specific topics. All class readings will be available through Ares (Library link).

TEXTBOOK AND SUPPLEMENTAL READINGS

While there is no formal textbook for this course, those who want to have a career in finance may wish to buy: Applied Corporate Finance, 4th Edition, Aswath Damodaran, Wiley, 2014. In addition, students may read relevant papers from the leading finance journals including Journal of Finance, Journal of Applied Corporate Finance, Journal of Financial Economics, Journal of Accounting and Economics, Journal of Financial and Quantitative Analysis, Financial Analysts Journal, Financial Management, Journal of Portfolio Management and the likes for their chosen research topic. Useful web sites are: www.ssrn.com, www.jstor.org. Some useful books that you could refer to in your research that you may want to purchase (or use our library):

- C. Brooks, Introductory Econometrics for Finance, Cambridge University Press; 4th edition (March 28 2019) – As the title suggests this is a good introductory financial econometrics book. This book has supplements for the use of different statistical software, such as R, Stata, and Eviews.
- J. M. Wooldridge, Econometric Analysis of Cross-Section and Panel Data, 2000, Second Edition. – More advanced text on the looking at cross-sectional and panel data and refers to time-series.
- J. Y. Campbell, A. W. Lo, and A. C. Mackinlay, The Econometrics of Financial Markets, Princeton University Press, 1996

GRADING COMPONENTS

Grading Scheme and Due Dates

	Assignment/Component	Due Date	Percentage of Final Grade
1	Research Topic Submission	March 2 nd (Week 7)	
2	List of Relevant Articles Submission	March 16 th (Week 9)	
3	Weekly Articles Review	February 2 nd , 9 th , 16 th , and March 2 nd (Weeks 4 to 7)	10%
4	Individual Literature Review	March 2 nd (Week 7)	5%
5**	Written Research Proposal	March 16 th (Week 9)	15%
6*	Online In-Class Test	March 23 rd during class time (Week 10)	30%
7**	Research Paper – Group Presentation	April 6 th (Week 12)	10%
8**	Research Paper - Submission of Group Final Written Report	April 13 th (Week 13)	30%

* The test will be based on material covered in the lectures and from assigned readings.

**These marks would be weighted for each individual in the group based on the ratings from peer evaluation (see below).

Missing Tests/Deadlines

The only valid excuse for missing a test, including the midterm test, or a deadline is for medical reasons or death in the family and must be documented with a medical certificate. Any other reason (such as travel, etc...) will not be considered. If you miss the midterm tests or a deadline for a reason that is not deemed as legitimate, your mark will be zero, otherwise separate arrangements will be made.

Weekly Articles Review

Starting from the fourth session and until the seventh session inclusively, each student is expected to prepare and submit a soft copy (via BrightSpace using the appropriate assignment dropbox) of a 6-page review (total number of pages that is roughly 2 pages per article) of 3 of the designated readings (articles) of that particular session. These reviews should comprise a synthesis (summary + some critical analysis of each article) and are to be submitted at noon on the class day (first review is due on the fourth class). All articles' references are listed in the course outline and more detailed instructions on how to conduct the weekly reviews are available on Lecture 1.

Individual Literature Review

Once I receive the list of articles for your research projects, I will be reviewing this list and assigning 5 to 6 articles within this list for each group member that will be subject of the individual literature review. The purpose of the individual literature review is to familiarize you with previous research that has been conducted in your topic. The review needs to start with a paragraph in which you introduce the reader to your research question. In the subsequent paragraphs you need to summarize the articles that have been assigned to you and critically review each one of them by focusing on both the contribution and shortcomings of each article. The reviews are to be submitted using the proper Dropbox on BrightSpace.

Group Research Project

An important objective of this course is to provide students with an opportunity to explore a topic that is of interest to them and conduct empirical research on that topic. The main benefits to students will be an opportunity to discover new evidence in an area of interest to them and to review the current thinking and research on that topic. This research would involve a review of salient literature, discussions of some outstanding issues pertaining to the chosen topic, designing of testable hypotheses and possible empirical design and statistical tests that would be used to test the hypotheses, estimation, and analysis of the results.

The research project will be done in stages. First, each group (5 students per group) will choose a research topic of interest, seek approval from the instructor, conduct a literature search and identify 25 relevant papers (5 articles per group member) relating to the topic. Your group should seek approval of the topic from the instructor by email as soon as possible and by **March 2nd (week 7)**. Once approval has been granted, you will then identify and compile a list of the relevant literature. The group members will interact to identify and agree on a subset of relevant articles. The list of papers should then be compiled in a word document (a template is available on the course page) with the complete reference of each paper should be sent to the Instructor by **March 16th (Week 9)**. **Each student** in the group will be assigned 5 of these readings and would be expected to complete a summary and a critical review of this set of readings (between 5 to 8 pages, double-spaced, approximately 1 to 1.5 pages per article). This individual assignment is to be submitted in soft copies (via BrightSpace using the appropriate assignment Dropbox) for grading by **March 2nd (week 7)**. Note that each day of delay would reduce your individual literature review mark by **10% per day**. A copy of your individual literature review should be given to each member of the group. Based on these reviews, each group will prepare a combined literature review that will be included in the research proposal and the final report. **See the Peer evaluation form below**. More detailed instructions on how to conduct the individual literature review are available on Lecture 1.

Between **March 2nd to 16th (weeks 7 to 9)** (or earlier) the group will meet and work on a research proposal that shows the introduction and motivation for the study, a brief outline of the key research questions and the hypotheses the group wants to pursue/test; state how the proposed work relates to existing work (based on the literature review); outline the data collection needs; and will clearly articulate the methodology (statistical tests) by which the research question (s) will be put to the test. It is expected that during this period **the group leader** of the group (this means the group needs to select/elect a group leader) will communicate any issues about the project to the instructor. Besides, a formal meeting between the instructor and all members of each group will be conducted via Zoom on **March 8th (week 8)** to assess the group's progress and discuss any issues that the group might be facing (an email with the exact time of your meeting will be sent in due course, all members of each group are required to attend the meeting). Each group will submit a copy of the research proposal to the instructor for grading **by March 16th (week 9) or earlier** (soft copies are to be submitted via BrightSpace using the appropriate Dropbox).

The period from **March 16th through April 6th (weeks 9 to 12)** will be devoted to completing the research (econometric estimation, analysis of results, etc.). Note that by the week of **March 16th (week 9)** you should have completed all data collection for your research project. A second group meeting with the instructor will be conducted via Zoom on **March 30th (week 11)** to discuss any issues you may have with the empirical work. Each group will make a presentation of their

Course Outline BUSI 4500 – Paul Wefers Bettink

research report to the class on **April 6th (week 12)**. The completed written research report is due **April 13th (week 13)** (or earlier). The presentation and the research report are to be submitted **via Brightspace using the appropriate Dropbox**. Please retain a hard copy of all work that will be submitted in this course.

Research Project Presentation

Each group is expected to prepare a 15-20 min presentation of their research projects on **April 6th (week 12)**. Every group member is expected to actively participate in the presentation and to orally present part of the work. Instructions on what needs to be included in your presentation will be sent in due course.

In-Class (Online) test

There will be an in-class exam on **March 23rd (week 10)**. You will be examined on the material covered in the lectures and on the assigned readings. *The exam will be marked over a two-week period due to the large size of the class.*

This is an online test that will be administered via Brightspace during regular class time on the date indicated in the course schedule. The exam will test your understanding of the different theories examined in class, the weekly readings, and the research methods discussed in class. Most of the questions will be essay-type and some can be open ended. There will be no multiple-choice questions in this exam and a financial calculator is not needed.

Tentative Schedule & Readings

Week #	Date		
1	12-Jan-2023	Mechanics of Writing a Research Paper	Assigned Readings
2	19-Jan-2023	<ul style="list-style-type: none"> • Risk Return Models, • Event Study Methodology • Review of some statistical tests; and • Available Data bases 	Assigned Readings
3	26-Jan-2023	<ul style="list-style-type: none"> • Risk Return Models, • Event Study Methodology • Review of some statistical tests; and • Available Data bases 	Assigned Readings
4	2-Feb-2023	Initial Public Offerings	Assigned Readings *
5	9-Feb-2023	Mergers and Acquisitions	Assigned Readings *
6	16-Feb-2023	Capital Structure	Assigned Readings *
	23-Feb-2023	Reading Week	
7	2-Mar-2023	Dividend Policy	Assigned Readings *
8	9-Mar-2023	Virtual Group (10-15 minutes) meeting via Zoom or MS Teams with the Instructor during class time to discuss your proposed research project	The exact meeting time for your group will be sent to you in due course Due: Individual Literature Review (5%)
9	16-Mar-2023	All data collection should be conducted on this week; Submission of Written Research proposal (a soft copy via Brightspace) - no class	Due: Written Research Proposal (15%)

10	23-Mar-2023	In-Class Test (conducted during regular class time)	(30% of Final Grade)
11	30-Mar-2023	Meet with your group members to finalize the analysis of your results- A second group meeting with the instructor to discuss the empirical work.	
12	6-Apr-2023	Group Presentations	(10% of Final Grade)
13	13-Apr-2023	Submission of Final Research Project (a soft copy via BrightSpace), no class	(30% of Final Grade)

*** Weeks of February 2nd, 9th, 16th and March 2nd – Weekly Article Reviews are due (10% of Final Grade).**

GROUP PEER EVALUATION

The purpose of this evaluation is to provide feedback to the Instructor regarding individual group member's contribution to the research project. This is required since, for whatever reason, some members of the group may not contribute fairly. To ensure that each member of the group gets a fair credit for his/her work, each member individually would submit the following rating for other members of the group by **April 15th** by email. The marks for each individual would be averaged. Please note that if some members of the group, for whatever reason, give one individual a very low mark then that individual would have a relatively low mark. Since the instructor would have no way of knowing whether this was right or wrong, these ratings would be subject to no second guessing and cannot be appealed. It is strongly suggested that you keep this in mind when forming your group. Note that you do not have to submit this form if everyone did what was expected of him/her. If no such ratings are received, then each individual will receive the same mark for the final research report.

Instructions:

In both columns, indicate (out of 5, where 5 is excellent) the marks that you believe reflects the quality of the individual review contribution to the project.

Your name _____

	Group Member Name (Excluding your own)	RESEARCH PROPOSAL (OUT OF 5)	OVERALL PARTICIPATION IN THE RESEARCH PROJECT (out of 5)
1.			
2.			
3.			
4.			

Comments if any:

To preserve academic integrity, this declaration form has to be electronically signed by all students and included to the Weekly Reviews, the Individual Literature Review, the Research Proposal, and the Final Project submissions

DECLARATION OF ACADEMIC INTEGRITY

Course #:

Term and year:

Title of project/paper:

The University Senate defines plagiarism in the regulations on instructional offenses as: “to use and pass off as one’s own idea or produce work of another without expressly giving credit to another.”

Borrowing someone else’s answers, unauthorized possession of tests or answers to tests, or possession of material designed in answering exam questions, are also subject to university policy regarding instructional offenses.

Photocopying substantial portions of a textbook (e.g. more than 1 chapter or 15% of the total page count) without the publisher's permission is another misuse of intellectual property, and is also a violation of Canadian copyright law. Access Canada's web site provides guidelines on legitimate copying. Instructional offence cases would be referred to the Associate Dean (Undergraduate Studies); individual solutions are not permitted.

I/we declare that the work submitted herewith is my/our work. All sources have been referenced in the footnotes, endnotes or bibliography. This work has not been shared with anyone outside this group.

Everyone must

sign to receive a grade

Student Name	Student ID	Signature

Due Date

Date and hour received, if late Penalty for delay, if applicable

Contribution to Learning Goals of the Program ([BCom](#), [BIB](#)):

Program Goal	Learning	Competencies Not Covered	Competencies Introduced (only)	Competencies Taught But Not Assessed	Competencies Taught and Assessed
BC1 Knowledge <i>Graduates will be skilled in applying foundational business knowledge to appropriate business contexts.</i>					X
BC2 Collaboration <i>Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members.</i>					X
BC3 Critical Thinking <i>Graduates will be discerning critical thinkers, able to discuss different viewpoints, challenge biases and assumptions, and draw conclusions based on analysis and evaluation.</i>					X
BC4 Communication <i>Graduates will be effective and persuasive in their communications.</i>					X
BI5 Global Awareness (BIB ONLY) <i>Graduates will be globally-minded.</i>					

List of Readings

Readings for Session 1: Mechanics of Writing a Research Paper

- a) Wong, Paul, "Excerpts from "How to Write a Research Proposal", Trinity Western University, Canada
- b) Cochrane, John, "Writing Tips for Ph.D Students", University of Chicago, 2005.

Readings for Sessions 2 and 3: Risk-Return Models and Event Study Methodology

- a) S. P Kothari and Jerold B. Warner, "Econometrics of Event Studies", Working Paper, Tuck School of Business at Dartmouth, 2004.
- b) Charles J. Corrado, "A non-Parametric test for Abnormal Security- Price Performance in Event Studies", *Journal of Financial Economics*, 1989, pp. 385-395.
- c) Collins, D.W and W.T Dent, 1984, A comparison of Alternative testing methodologies used in capital market research, *Journal of Accounting Research* 22, 48-84

Readings for Session 4: Initial Public Offerings

- a) Chemmanur, T., and Z. Chen, 2014. Venture capitalists versus angels: The dynamics of private firm financing contracts, *Review of Corporate Finance Studies* 3:1-2, 39-86.
- b) Jain, B.A., Kini, O., (1995). "Venture capitalist participation and the post-issue operating performance of IPO firms", *Managerial and Decision Economics* 6, 593-606.
- c) Brav, Alon, and Paul A. Gompers (1997): Myth or Reality? The Long-run Underperformance of Initial Public Offerings: Evidence from Venture and Non venture Capital-Backed Companies, *Journal of Finance*, 52, pp. 1791-1821
- d) Ragupathy, M. B., Initial Public Offering: a critical review of literature, *Journal of Behavioral Finance*. 2011, Vol. 8 Issue 1, p41-50. 10p.
- e) Ritter J. R. and I. Welch, A Review of IPO activity, pricing, and allocations, *Journal of Finance*, 2002, Vol. 57, Issue 4, p1795-1828.
- f) Chemmanur, T. and P. Fulghieri, 1999, "A Theory of the Going Public Decision," *Review of Financial Studies*, 12, 249-279.
- g) Felix, Thijn, Underpricing in the Cryptocurrency World: Evidence from Initial Coin Offerings (June 1, 2018). Available at SSRN: <https://ssrn.com/abstract=3202320> or <http://dx.doi.org/10.2139/ssrn.3202320>
- h) J. R. Ritter, The Long-run Performance of Initial Public Offerings, *Journal of Finance*, 1991, pp. 3-27.
- i) Souitaris V, Zerbinati S, Peng B (Grace), Shepherd D. Should I Stay or Should I Go? Founder
- j) Power and Exit via Initial Public Offering. *Academy of Management Journal*. 2020;63(1):64-95
- k) Tutuncu, L. (2020). Initial public offering price support, valuation, and returns. *Eurasian Economic Review*, 10(2), 267–282. <https://doi-org.proxy.library.carleton.ca/10.1007/s40822-018-0124-2>
- l) Pagano, Panetta, and Zingales, 1998, "Why do companies go public? An Empirical Analysis," *Journal of Finance* 53, 27-64.
- m) Brau J.C. and S.E. Fawcett, Initial Public Offerings: An Analysis of Theory and Practice, *Journal of Finance*, Vol. LXI, NO. 1, February, 2006, pp. 399-436.
- n) Bharat A. Jain and Omesh Kini, The Post-Operating Performance of IPO Firms, *Journal of Finance*, Vol. XLIX, #5, December 1994, pp. 1699-1726.
- o) Vijay M. Jog, and A. Srivastava, The Mixed Results of Canadian IPOs, *Canadian Investment Review*, Winter, 1997/98, pp. 23-27.

Readings for Session 5 - Mergers and Acquisitions

- a) Andrade, G., Mitchell, M. L. and Stafford, E., 2001. New evidence and perspectives on mergers. *Journal of Economic Perspectives*, 15(2), pp. 103-120
- b) Fuller, K., J. Netter, and M. Stegemoller, 2002. What do returns to acquiring firms tell us? Evidence from firms that make many acquisitions. *Journal of Finance*, 57, pp. 1763-1793
- c) Morck, Randall, Andrei Shleifer, and Robert W Vishny, 1988. Characteristics of Targets of Hostile and Friendly Takeovers. *Corporate Takeovers: Causes and Consequences*, edited by Alan J Auerbach, Chicago: University of Chicago Press, pp. 101-136.
- d) Renneboog, L. and Vansteenkiste, C., 2019. Failure and success in mergers and acquisitions. *Journal of Corporate Finance*, 58, pp. 650-699.
- e) Travlos, N., 1987. Corporate takeover bids, method of payment, and bidding firms' stock returns. *Journal of Finance*, 42, pp. 943-963.
- f) Flock, Z., and A. W. Lynch, 1999, "Why do firms merge and then divest? A Theory of financial synergy, " *Journal of Business* 72, 319-346..
- g) Berkovitch, E., and M.P Narayanan, 1993, Motives for Takeovers, An Empirical Investigation, *Journal of Financial and Quantitative Analysis*, 28, 347-362
- h) Erel, I., R., Liao, and M., Weisbach, Determinants of cross-border merges and acquisitions, *Journal of Finance*, 2012, Vol 67, Issue 3, 1045-1082.
- i) Rossi, S and P. Volpin, Cross-country determinants of mergers and acquisitions, *Journal of Financial Economics*, 2004, Vol 74, Issue 2, 277-304.
- j) Tampakoudis, I., & Anagnostopoulou, E. (2020). The effect of mergers and acquisitions on environmental, social and governance performance and market value: Evidence from EU acquirers. *Business Strategy & the Environment (John Wiley & Sons, Inc)*, 29(5), 1865–1875
- k) Bereskin, F., Byun, S. K., Officer, M. S., & Oh, J.-M. (2018). The Effect of Cultural Similarity on Mergers and Acquisitions: Evidence from Corporate Social Responsibility. *Journal of Financial & Quantitative Analysis*, 53(5), 1995–2039
- l) Li, K., Liu, T., & Wu, J. (Julie). (2018). Vote Avoidance and Shareholder Voting in Mergers and Acquisitions. *Review of Financial Studies*, 31(8), 3176–3211
- m) Matthew L.A. Hayward and Donald C. Hambrick, "Explaining Premiums Paid for Large Acquisitions: Evidence of CEO Hubris", *Administrative Science Quarterly*, 1997, pp. 103-127
- n) B. Espen Eckbo and Karin S. Thorburn, "Gains to Bidder Firms Revisited: Domestic and Foreign Acquisitions in Canada", *Journal of Financial and Quantitative Analysis*, March 2000, pp. 1-25.
- o) Sara B. Moeller, F.P. Schlingemann and R.M. Stulz, "Wealth Destruction on a Massive scale? A study of Acquiring firms returns in the recent merger wave", *Journal of Finance*, Vol. LX, April 2005, pp. 757-782.
- p) Rhodes-Kropf, M., and S. Viswanathan, 2002, "Market valuation and merger waves," Duke university working paper

Readings for Session 6 – Capital Structure

- a) Brusov, P., Filatova, T., Orehova, N., Brusov, P. and Brusova, N., 2011. Influence of debt financing on the effectiveness of the investment project within the Modigliani–Miller theory. *Research Journal of Economics, Business and ICT*, 2.
- b) Clère, R., 2019. After Modigliani, Miller, and Hamada: A new way to estimate cost of capital. *Journal of International Financial Management & Accounting*, 30(3), pp. 223-249.
- c) Frydenberg, Stein, "Theory of Capital Structure – a Review", 2011, Available at SSRN:
<http://ssrn.com/abstract=556631>

- d) Bancel, Franck and Mitto Usha, "Cross-country Determinants of Capital Structure Choice: A Survey of European Firms, 33:4, 2004, 103-132.
- e) Rajan, Raghuram, and Luigi Zingales, "What do we know about capital structure? Some evidence from international data", *Journal of Finance* 50, 1995, 1421-1460.
- f) Frank, M. and V. Goyal, "Testing the Pecking Order Theory of Capital Structure", *Journal of Financial Economics*, 67, 2003, 217-248.
- g) Foster, D. and M. Young, "Capital Structure Determinants for Emerging Markets by Geographic Region", *Journal of Applied Financial Research*, 1, 2013, p55-
- h) Jarallah S, Saleh AS, Salim R. "Examining pecking order versus trade-off theories of capital structure: New evidence from Japanese firms". *International Journal of Finance & Economics*. 2019;24(1):204-211.
- i) Sreenu N. A Study on Financial Constraints of Capital Structure Theories and Dividend Policy: Evidence from Indian Capital Market. *International Journal of Business Insights & Transformation*. 2018;11(2):38-45.
- j) Faccio, M., & Xu, J. (2018). Taxes, Capital Structure Choices, and Equity Value. *Journal of Financial & Quantitative Analysis*, 53(3), 967–995.

Readings for Session 7: Dividend Policy

- a) Miller, M. H., and F. Modigliani, "Dividend Policy, Growth and the valuation of Shares", *Journal of Business*, October 1961, 411-433.
- b) Miller, M., and K. Rock, "Dividend Policy under Asymmetric Information, " *Journal of Finance*, September 1985, 1031-1051.
- c) Brav, A., J. Graham, C. Harvey, and R. Michaely, "Payout Policy in the 21st Century", Working paper, Duke University, 2003.
- d) DeAngelo, H., L. DeAngelo, and D. Skinner, "Are dividends disappearing? Dividend Concentration and the consolidation of earnings", *Journal of Financial Economics* 72, 2004, 425-456.
- e) Baker, W. and J. Wurgler, 2004. A Catering Theory of Dividends. *Journal of Finance*, 59, pp 1125-1165.
- f) Black, F., 1976. The dividend puzzle. *Journal of Portfolio Management*, 2, pp. 5-8.
- g) Brav, A., Graham, J.R., Harvey, C.R. and Michaely, R., 2005. Payout policy in the 21st century. *Journal of financial economics*, 77(3), pp. 483-527.
- h) Chay, J. B. and Suh, J., 2009. Payout policy and cash-flow uncertainty. *Journal of Financial Economics*, 93, pp. 88-107.
- i) Dann, L., 1981. Common stock repurchases: an analysis of returns to bondholders and stockholders. *Journal of Financial Economics*, 9, pp. 113-138.
- j) Easterbrook, F. H., 1984. Two agency-cost explanations of dividends. *The American Economic Review*, 74, pp. 650-659.
- k) Grullon, G., Michaely, R. and Swaminathan, B., 2002. Are dividend changes a sign of firm maturity? *Journal of Business*, 75, pp. 387-424.
- l) Michaely, R., Rossi, S. and Weber, M., 2021. Signaling safety. *Journal of Financial Economics*, 139(2), pp. 405-427.
- m) Rozeff, M. S., 1982. Growth, beta and agency costs as determinants of dividend payout ratios. *Journal of Financial Research*, 5, pp. 249-259.

ADDITIONAL INFORMATION

Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your instructor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

Grading

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50			

Grades entered by Registrar: WDN = Withdrawn from the course & DEF = Deferred

Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

Pregnancy accommodation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wpcontent/uploads/Student-Guide-to-Academic-Accommodation.pdf

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wpcontent/uploads/Student-Guide-to-Academic-Accommodation.pdf

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. carleton.ca/pmc

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: carleton.ca/sexual-violence-support

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline

Academic Integrity

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized cooperation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated.

Course Outline BUSI 4500 – Paul Wefers Bettink

Process: If an alleged violation occurs, all relevant documentation will be forwarded to the Dean. If the allegation proves true, the penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others. **For a first offence, at a minimum, the penalty assigned will normally be a zero on the submitted work and at least a minimum full grade reduction of the final course grade. For a second offence, at a minimum, the penalty assigned will normally lead to a suspension from studies.**

Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at: <https://carleton.ca/registrar/academic-integrity/>.

Sprott Student Services

The Sprott Undergraduate Student Services Office offers program advising and overall student success support. Our team is available to discuss your academic goals and your program progression plans. We can also work with you to develop strategies for success, including study skills for Business. If you experience any difficulty this term or if you would like to access support, please contact our team at bcom@sprott.carleton.ca or at bib@sprott.carleton.ca.

Centre for Student Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: carleton.ca/csas.

Important Information:

- Students must always retain a hard copy of all work that is submitted.
- All final grades are subject to the Dean's approval.
- For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/newstudents-2/>

Covid-19 Information:

It is important to remember that COVID is still present in Ottawa. The situation can change at any time and the risks of new variants and outbreaks are very real. There are [a number of actions you can take](#) to lower your risk and the risk you pose to those around you including being vaccinated, wearing a mask, staying home when you're sick, washing your hands and maintaining proper respiratory and cough etiquette.

Feeling sick? Remaining vigilant and not attending work or school when sick or with symptoms is critically important. If you feel ill or exhibit COVID-19 symptoms do not come to class or campus. If you feel ill or exhibit symptoms while on campus or in class, please leave campus immediately. In all situations, you must follow Carleton's [symptom reporting protocols](#).

Masks: Carleton has paused the [COVID-19 Mask Policy](#), but continues to strongly recommend masking when indoors, particularly if physical distancing cannot be maintained. It may become necessary to quickly reinstate the mask requirement if pandemic circumstances were to change.

Vaccines: Further, while proof of vaccination is no longer required as of May 1st (2022) to attend campus or in-person activity, it may become necessary for the University to bring back proof of vaccination requirements on short notice if the situation and public health advice changes. Students are strongly encouraged to get a full course of vaccination, including booster doses as soon as they are eligible, and submit their booster dose information in [cuScreen](#) as soon as possible. Please note that Carleton cannot guarantee that it will be able to offer virtual or hybrid learning options for those who are unable to attend the campus.

All members of the Carleton community are required to follow requirements and guidelines regarding health and safety which may change from time to time. For the most recent information about Carleton's COVID-19 response and health and safety requirements please see the [University's COVID-19 website](#) and review the [Frequently Asked Questions \(FAQs\)](#). Should you have additional questions after reviewing, please contact covidinfo@carleton.ca.
