Law 765 - Corporate Finance (2 cr.)
Spring 2013
Mr. Morriss

Syllabus

Course Description: An advanced course in corporations focusing on the practical issues in finance. The course will cover how to read financial statements, net present value, cash flow, valuing securities, cost of capital and similar topics of concern to corporate clients, with the goal of enabling students to better understand their future clients' needs and issues. No prior accounting or finance background necessary. A willingness to attempt some simple math is required. After completing this course, students should be able to read and understand financial documents.

Textbook:

Richard T. McDermott, Legal Aspects of Corporate Finance(Lexis Nexis 2005)
Carolyn E.C. Paris, Drafting for Corporate Finance (PLI 2007).

Other materials as assigned.

Grading:

Class participation	10%
Company presentation	10%
Dodd-Frank report	10%
Problem presentation	10%
Final exam (closed book, closed notes)	60%

Class participation – be present and alert, demonstrate having read the material in advance. Ask questions.

Company presentation – In a team of 1-3 people (your choice), prepare & deliver a 8-10 minute presentation on a publicly listed company of your choice (clear the choice with me first, so that there is no duplication; first come, first serve on the choice of companies). To prepare the presentation, review the company's most recent annual report, 10K (annual), and 10Q (quarterly) filings. Annual reports are generally available on the company's website. 10K and 10Q filings are filed with the SEC and available on freeedgar.com, the company's website, and a variety of other web-resources like finance.yahoo.com. Pay careful attention to the descriptions of risks the company faces. You should also read business press coverage of the company and its industry for the past 6-12 months to understand how its position is evolving. Reports will be presented in class after spring break.

Your presentation should present a summary analysis of the company's financial position based on what you have learned during our class. Be sure to compare its financials to its key competitors (e.g. if analyzing Wal-Mart, compare it to Target and K-Mart). Your presentation should cover the following:

- Current financial position and your assessment of the company's financial health.
- The most significant risks facing the company in the short, medium, and long term.
- The company's operational efficiency and liquidity.
- The market's current valuation of the company and the company's future prospects.

You should have a Powerpoint/Keynote presentation of **no more than 5 slides** (excluding a title slide) with information on your key points (less is generally more in terms of the amount of information on a slide; visuals like graphs are better than text; and you should not simply read the text to us, but elaborate on the information on the slide) and a 1 to 2 page handout for the class summarizing your analysis, including key numbers.

A copy of the slides and handout should be emailed to me by 2 p.m. on the day before the presentation. I will bring copies of the materials to class for everyone.

Dodd-Frank report – Being able to communicate clearly with non-lawyers about complex subjects is a critical skill. The Dodd-Frank Act is one of the most important financial laws in U.S. history. Choose a provision of the statute and write **a 950-1000 word client newsletter article** explaining it to a law firm's clients. Due Tuesday.,April 2 by 4 p.m. (email to me and to my assistant, Wendy Graham (wgraham@law.ua.edu). Grammar and spelling count – proof read carefully. You should never give a business associate or law firm partner anything containing errors; treat this assignment as if it were going to a hiring partner. This must be entirely your own work and not be created by cutting and pasting material from elsewhere.

Class Problem – There are a series of problems in the book – everyone will be assigned to a group assigned to prepare a presentation on a particular problem. You should provide the class with both an oral presentation and written materials on the problem. These begin with Chapter 3's materials. An assignment list will be passed out before we get close to that material.

Exam – The exam will ask you to ask you to explain concepts from the course, as well as give examples illustrating them. Preparing for the exam requires careful reading of the assignments, coming to class, and asking questions when you do not understand the material.

Contacting me:

Cell: 216-272-9187
Email: amorriss@law.ua.edu or andy.morriss@gmail.com