FNAN 321: Financial Institutions
Section 001
Prof. Marcelo Pinheiro
Spring 2011

PRELIMINARY SYLLABUS – SUBJECT TO CHANGE

1) Specific Course Information
   a) FNAN 321: Financial Institutions
   b) Class Location: Enterprise Hall 173
   c) Meeting Time: Mondays and Wednesdays 10:30 – 11:45 a.m.

2) Professor’s contact information:
   a) Office: Enterprise Hall 223
   b) Phone: 703-993-5137
   c) Email: mpinheir@gmu.edu
   d) Office hours: Mondays 3:00 pm to 6:00 pm, or by appointment.

3) Course Website Address: We will use blackboard to post lecture notes, announcements, and any other applicable material.

4) Course prerequisites: This is an intermediate level course. It assumes that students have a good working knowledge of the basic theoretical and practical concepts of financial management, that is, it assumes that students have successfully completed FNAN 301 or a comparable course.

5) Course materials
   b) Readings: In addition the students are highly encouraged to read The Wall Street Journal, NY Times (finance/business sections), and other financial press, to keep current on events and issues in the financial industry.
   c) Online materials: I may use additional notes; if these notes are used they will be available through blackboard.

6) Program Learning Goals –Upon completing our undergraduate finance program, our majors will be competent in each of the following areas:
a) Finance majors will be able to value complex projects, assets, and securities.
b) Finance majors will be able to demonstrate, evaluate, and explain the risk return trade-offs in finance.
c) Finance majors will be able to conduct a financial analysis of a firm using financial statements.
d) Finance majors will be able price and use derivatives.
e) Finance majors will recognize and understand how to address ethical issues in finance including agency problems.
f) Finance majors will be able to conduct research to support the analysis of a firm or financial project and effectively present their analysis.
g) Finance majors will understand the relationships among investors, firms, financial institutions, and regulatory entities in financial markets and systems.
h) Finance majors will understand how global financial markets and institutions affect firms and investors.

7) Course objectives: This course is designed to provide students with a basic understanding of the structure and management of financial institutions. The main topics include:
   a) Types of financial institutions;
   b) Analyzing interest-rate and credit risk;
   c) Risk management;
   d) Analysis of derivative instruments.

8) Exams Policies
   a) There will be 3 multiple choice exams.
      i) Two will be considered “midterms” and will cover only new material up to that point. That is, the first exam will only cover what was taught from first day of classes until the class preceding that exam; the second exam will cover material from the first exam until the class preceding the second exam. The third and final exam will cover ALL material, with a higher emphasis on the new material.
      ii) Each midterm is worth 30% and the final is worth 40%.
   b) Missed exam policy: THERE ARE NO MAKE-UP EXAMS. If you miss ONE midterm then the weight of your final increases accordingly. **YOU CANNOT MISS BOTH MIDTERMS.**
   c) Grading Standards: Grades will be assigned according to the following scale:
      i. 93-100% - A
      ii. 88-92% - A minus
iii. 83-87% - B plus  
iv. 75-82% - B  
v. 70-74% - B minus  
vi. 65-69% - C plus  
vii. 60-64% - C  
viii. 55-59% - C minus  
ix. 50-54% - D  
x. Below 50% - F  

d) **Re-grading:** Since the exams are multiple choice there is no partial grading, hence the only reason to ask for a re-grade is if you think I summed your points wrong. You have one week from the day I hand back your exam to ask for re-grading.  

9) **Student responsibilities:** You are expected to attend class regularly and on time. If you miss class it is your responsibility to obtain notes on the material covered.  

10) **Students with Disabilities:** If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability. Services (ODS) at 703-993-2474. All academic accommodations must be arranged through the ODS.  

11) **Honor Code statement:** Students are expected to follow the University Honor Code: **“Student members of the George Mason University community pledge not to cheat, plagiarize, or lie in matters related to academic work.”**  

12) Course Schedule - **PRELIMINARY**  

Week 1 – Week of January 24, 2011: Ch. 1 and 2  
Week 2 – Week of January 31, 2011: Ch. 3  
Week 3 – Week of February 7, 2011: Ch. 4 and 5  
Week 4 – Week of February 14, 2011: Ch. 5 and 6  
Week 5 – Week of February 21, 2011: **Exam 1 (February 21, 2011) + Ch. 7**  
Week 4 – Week of February 28, 2011: Ch. 7 + Ch. 8  
Week 5 – Week of March 7, 2011: Ch. 9  
Week 6 – Week of March 14, 2011: SPRING BREAK  
Week 7 – Week of March 21, 2011: Ch. 10 + 11  
Week 8 – Week of March 28, 2011: Ch. 11 + 12  
Week 9 – Week of April 4, 2011: **Exam 2 (April 4, 2011) + Ch. 17**  
Week 10 – Week of April 11, 2011: Ch. 17  
Week 11 – Week of April 18, 2011: Ch. 22
Week 12 – Week of April 25, 2011: Ch. 23 and 24
Week 13 – Week of May 2, 2011: Ch. 24 and 26
Week 14 – Week of May 9, 2011– NO CLASSES

Final Exam – Wed. 5/11 10:30 am