

**Commerce 2FA3 (C05)  
Introduction to Finance  
Fall 2025 Course Outline**

**Finance and Business Economics Area  
DeGroote School of Business  
McMaster University**

---

***COURSE OBJECTIVE***

---

The goal of this course is to provide students with an introduction to finance and develop an understanding of the key concepts used in the business world.

This course provides an overview of financial management and the financial system. The goal is to equip students with a basic understanding of how financial decisions are made. Students will learn fundamental finance concepts and tools, and how they are applied in practice. The course will lay a foundation for more advanced finance courses that students will subsequently take. Topics include the time value of money, capital budgeting, risk and return trade-off, and security valuation.

---

***INSTRUCTOR AND CONTACT INFORMATION***

---

**Section C05: Wednesday (10:30 am – 12:20 pm)**

Class Location: (Available on Mosaic)

**Sumit Bose, MBA CFP FMA CIWM FCSI**

Instructor

[sbose@mcmaster.ca](mailto:sbose@mcmaster.ca)

Office Hours: By appointment

**Tutorial (T05): Friday (8:30 am – 9:20 am)**

Tutorial Location: (Available on Mosaic)

**Saba Khorasani**

Teaching Assistant

[sabaakhr@mcmaster.ca](mailto:sabaakhr@mcmaster.ca)

<p>There are five (5) sections in this course with different instructors and tutors.</p>
--

<p><b>The sections are not interchangeable</b></p>
--

**Course Website:** <http://avenue.mcmaster.ca>

---

### ***COURSE ELEMENTS***

---

Credit Value: 3	Leadership: No	IT skills: Yes	Global view: Yes
A2L: Yes	Ethics: No	Numeracy: Yes	Written skills: No
Participation: Yes	Innovation: Yes	Group work: No	Oral skills: No
Evidence-based: Yes	Experiential: Yes	Final Exam: Yes	Guest speaker(s): No

---

### ***COURSE INFORMATION***

---

**Lectures:** 2hr x1/wk

**Tutorials:** 1hr/wk. Tutorials are an integral part of the course, where TAs cover additional material and exercises that complement the lectures and support exam preparation.

**Course Delivery Mode:** In person. No recordings of lectures or tutorials will be provided.

**Course Description:** This course introduces the main instruments and institutions in the Canadian financial system. The basic concepts and models of modern financial theory are introduced through lectures and “hands-on” problem solving. Topics include: the time value of money, capital budgeting, the trade-off between risk and return and security valuation.

---

### ***COURSE LEARNING OUTCOMES***

---

Upon successful completion of this course, students will be able to:

- Apply the concept of time value of money to evaluate single and multiple cash flows.
- Perform bond and stock valuation using standard models.
- Distinguish between nominal and effective interest rates and analyze simple loan and mortgage payment structures.
- Compare and evaluate investment projects using capital budgeting techniques (e.g., NPV, IRR, payback).
- Explain the trade-off between risk and return and apply the Capital Asset Pricing Model (CAPM) to estimate expected returns.
- Use problem-solving techniques to analyze financial decisions across different contexts (e.g., saving, investing, financing).

---

### IMPORTANT LINKS

---

- [Mosaic](#)
  - [Avenue to Learn](#)
  - [Student Accessibility Services - Accommodations](#)
  - [McMaster University Library](#)
- 

### COURSE LEARNING GOALS

---

By the end of the course, students should:

- Understand the role of finance in business and personal decision-making.
  - Appreciate the importance of the time value of money as a foundation for all financial decisions.
  - Recognize how financial markets and institutions help channel funds between savers and borrowers.
  - Develop an intuitive understanding of the risk-return trade-off, including the value of diversification.
  - Gain confidence in using basic financial tools to interpret and solve problems relevant to real-world business contexts.
  - Build a foundation for further study in finance, preparing them for more advanced topics in valuation, investments, and corporate finance.
- 

### REQUIRED MATERIALS AND TEXTS

---

**Required:** Ross, Westerfield, Jordan, Pandes and Holloway, Fundamentals of Corporate Finance, 12th Canadian Edition. Toronto: McGraw-Hill Ryerson: henceforth RWJPH. Current price: **\$85.95**. Second-hand copies are permitted; however, Connect Access is required for course activities.

**Required:** **Connect** Access for RWJPH textbook.

Other course materials, including slides, readings, and exercises, will be provided on A2L.

The course materials for this course will be delivered through the **Immediate Access (IA)** Program in partnership with the Campus Store.

You'll receive **digital access** to the required textbook on **Avenue to Learn** starting the first day of class:

**FUNDAMENTALS OF CORPORATE FINANCE W/ CONNECT 2 YEAR ACCESS**

The discounted price for this resource is **\$85.95**. This cost will be shown on your student account at the beginning of the term.

**Special to this Course:** access to your etext and Connect carries you through both COMMERCE 2FA3 and COMMERCE 2FB3. If you remove your access for 2FA3 you will no longer have access to these resources at the discounted IA price.

## ***COURSE EVALUATION AND DELIVERABLES***

### **Components and Weights**

The following weighting scheme will be used:

#	Grade Component	Weight	Date and Time
1	Weekly Connect Quizzes (Best 6 of 8)	10%	See below
2	Term Test 1 (2 hours) – Weeks 1 to 4	25%	Wednesday, Oct 8, 6:30 – 8:30 p.m.
3	Term Test 2 (2 hours) – Weeks 5 to 10	25%	Wednesday, Nov 12, 6:30 – 8:30 p.m.
4	Final Examination (2.5 hours, cumulative)	40%	TBA
	<b>Total</b>	<b>100%</b>	

Missed tests/exams will receive a grade of zero unless the student has submitted and been approved for a Notification of Absence or MSAF.

**Quiz Due Dates:** Quizzes are to be written online through the Avenue. Each quiz will consist of 10 multiple choice question. You will have 30 minutes to complete the quiz and will have a single attempt to finish the quiz. The quizzes will be open for attempts on Wednesday and due the following Tuesday at 11:59 p.m. (Eastern Time) with the specific dates below.

Quiz #	Coverage	Release date	Due Date (11:59 pm)
1	Chapter 5	10-Sep	16-Sep
2	Chapter 6	24-Sep	30-Sep
3	Chapter 7	01-Oct	07-Oct
4	Chapter 8	22-Oct	28-Oct
5	Chapter 12	29-Oct	04-Nov
6	Chapter 13	05-Nov	11-Nov
7	Chapter 9	19-Nov	25-Nov
8	Chapter 10	26-Nov	02-Dec

---

## COURSE OVERVIEW & ASSESSMENT

---

Activity	Delivery Method	Description	Tools
Live Lectures	In Person	Weekly 2-hour lectures will be held in person on campus	On Campus
Live Tutorials	In Person	Weekly 1-hour tutorials to be held in-person by TA – covering additional materials and example questions	On Campus
Office Hours	In Person or on Zoom	Weekly optional office hours to be held by the TA to answer questions regarding course materials	On Campus or on Zoom
Textbook Readings	Asynchronous	To be assigned weekly for the topics being review from course text in outline	Avenue / Course Outline

Grade Component	Weight	Description
Weekly Connect Quizzes	10%	8 connect quizzes. Best 6 out of 8 will count.
Term Test	25%	In-person test covering weeks 1 to 4.
Term Test	25%	In person test covering weeks 5 to 10.
Final Exam	40%	In-person cumulative exam covering the full course.

## 1. Quizzes

Weekly quizzes will be completed online through Avenue to Learn (A2L). Each quiz will consist of 10 multiple-choice questions, with a 30-minute time limit and a single attempt. Quizzes are open book: you may consult your notes and course materials, but collaboration with others or the use of generative AI tools is not permitted.

- Quizzes will be released on Wednesday evenings and due the following Tuesday at 11:59 p.m. (Eastern Time).
- The system will close automatically at the deadline. If you begin a quiz less than 30 minutes before the deadline, you will have only the remaining time available.
- Only the best 6 of 8 quizzes will count toward the final grade. There will be no quizzes in the first and the final week of classes, or in the two weeks when term tests are scheduled.
- The first quiz will be released in Week 2 (September 10) and will be due September 16.

Because of the flexibility built into this policy, no accommodations will be granted for missed quizzes. Students with formal arrangements through SAS must discuss these with the instructor no later than September 12. No changes will be made after that date.

## 2. Term Test #1

The term test#1 will be worth 25% of your final grade.

The term tests will consist of multiple-choice questions and be closed book. It will cover Chapters **1, 5 & 6**. The exam will cover material from lectures, tutorials, textbook readings, quizzes, and practice questions.

- All assessments will be held in person.
- Students may bring a non-programmable calculator (a financial calculator is optional).
- Students may also bring one crib sheet: single-sided for each term test. Crib sheets must be on letter-sized paper and may be handwritten or printed in any format. Electronic crib sheets are not permitted.
- More information about the exam will be discussed in class and posted on Avenue.
- Missed term tests or exams will receive a grade of zero unless the student has submitted, and been approved for, a Notification of Absence or MSAF.

If a student files a successful MSAF for missing a term test, the weight of the midterm will be added to the weight of the final exam.

### 3. Term Test #2

The term test#1 will be worth 25% of your final grade.

The term tests will consist of multiple-choice questions and be closed book. It will cover Chapters **7, 8, 12 & 13**. The exam will cover material from lectures, tutorials, textbook readings, quizzes, and practice questions.

- All assessments will be held in person.
- Students may bring a non-programmable calculator (a financial calculator is optional).
- Students may also bring one crib sheet: single-sided for each term test. Crib sheets must be on letter-sized paper and may be handwritten or printed in any format. Electronic crib sheets are not permitted.
- More information about the exam will be discussed in class and posted on Avenue.
- Missed term tests or exams will receive a grade of zero unless the student has submitted, and been approved for, a Notification of Absence or MSAF.

If a student files a successful MSAF for missing a term test, the weight of the midterm will be added to the weight of the final exam.

### 4. Final Exam

The final exam is worth 40% of your final grade.

The final exam is comprehensive and will cover the entire course. It will cover Chapters **1, 5, 6, 7, 8, 12, 13, 9 and 10**.

The final exam will consist of multiple-choice questions and will cover materials from lectures, tutorials, textbook readings, quizzes, and practice questions.

- All assessments will be held in person.
- Students may bring a non-programmable calculator (a financial calculator is optional).
- Students may also bring one crib sheet: double-sided for the final exam. Crib sheets must be on letter-sized paper and may be handwritten or printed in any format. Electronic crib sheets are not permitted.
- More information about the exam will be discussed in class and posted on Avenue.

---

## ***COMMUNICATING WITH YOUR INSTRUCTOR:***

---

### **Communicating with Your Instructor:**

During the course, your instructor will interact with you on various course matters on the course website using the following ways of communication:

- **Announcements:** The instructor will use **Announcements** on the Avenue Course Home page to provide you with course reminders and updates. Please check this section frequently for course updates from your instructor.
- **Email:** If you have a conflict that prevents you from completing course requirements, or have a question concerning a personal matter, you can send your instructor a private message by email. The instructor will respond to your email within 24 to 48 hours. Make sure to add '2FA3 (C05)' in the subject line of email.
- **Zoom Meetings:** (In Case of classes moving to an online format, Online Virtual classes will be held via Zoom meeting. The link to register for the online class will be posted on Avenue. Students are required to join the online lectures with their full names for participation and attendance)

---

## ***COMMUNICATION AND FEEDBACK***

---

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student.

All students must receive feedback regarding their progress prior to the final date by which a student may cancel the course without failure by default.

- For Level 1 and Level 2 courses, this feedback must equal a minimum of 20% of the final grade.
- For Level 3 courses and above, this feedback must equal a minimum of 10% of the final grade.

Instructors may solicit feedback via an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

Students who have concerns about the course content, evaluation methods, or delivery should first reach out to the course instructor. If your concern remains unresolved after speaking with the instructor, you may then reach out to the relevant Area Chair for further consideration.



---

## ***REQUESTING RELIEF FOR MISSED ACADEMIC WORK***

---

In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar [“Requests for Relief for Missed Academic Term Work”](#) and the link below\*;

<http://ug.degroote.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

- No accommodations are provided for missed quizzes (see Section *Course Evaluation and Deliverables* for details).
- Missed term tests or exams will receive a grade of zero unless the student has submitted, and been approved for, a Notification of Absence or MSAF.
- If a student files a successful MSAF for a missing term test, the weight of that test will be transferred to the final exam. The final exam is comprehensive and will cover the entire course.
- Students requiring academic accommodations must be registered with Student Accessibility Services (SAS) and should contact the instructor as early as possible to make the necessary arrangements.

---

## ***GENERATIVE AI***

---

Use of generative **AI for quizzes, tests, or the final exam** is strictly **prohibited**.

Students are not permitted to use generative AI in this course. In alignment with [McMaster academic integrity policy](#), it “shall be an offence knowingly to ... submit academic work for assessment that was purchased or acquired from another source”. This includes work created by generative AI tools. Also state in the policy is the following, “Contract Cheating is the act of “outsourcing of student work to third parties” (Lancaster & Clarke, 2016, p. 639) with or without payment.” Using Generative AI tools is a form of contract cheating. Charges of academic dishonesty will be brought forward to the Office of Academic Integrity

---

## ***ACADEMIC INTEGRITY***

---

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of

zero on an assignment, loss of credit with a notation on the transcript (notation reads: “Grade of F assigned for academic dishonesty”), and/or suspension or expulsion from the university. For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](#).

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one’s own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.

---

### ***COURSES WITH AN ON-LINE ELEMENT***

---

**Some courses may** use on-line elements (e.g. e-mail, Avenue to Learn, LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

---

### ***CONDUCT EXPECTATIONS***

---

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in university activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

---

## ***ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES***

---

Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or [sas@mcmaster.ca](mailto:sas@mcmaster.ca) to make arrangements with a Program Coordinator. For further information, consult McMaster University's [Academic Accommodation of Students with Disabilities](#) policy.

---

## ***ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)***

---

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office ***normally within 10 working days*** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

---

## ***COPYRIGHT AND RECORDING***

---

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright-protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

---

## ***EXTREME CIRCUMSTANCES***

---

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, Avenue to Learn and/or McMaster email.

---

### ***ACKNOWLEDGEMENT OF COURSE POLICIES***

---

Your enrolment in **Commerce 2FA3** will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies **cannot be invoked** at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

## COURSE SCHEDULE

### Commerce 2FA3 (C05) – Introduction to Finance Fall 2025 Course Schedule (subject to changes during the semester)

Week	LECTURE DATE	TUTORIAL DATE	TOPIC DESCRIPTION	READING IN RWJPH
1	Sept. 3	Sept. 5	Introduction to Corporate Finance	Ch. 1
2	Sept. 10	Sept. 12	Introduction to Valuation: The Time Value of Money	Ch. 5
3	Sept. 17	Sept. 19	Discounted Cash Flow Valuation	Ch. 6.1 & 6.2
4	Sept. 24	Sept. 26	APR, EAR.	Ch. 6.3 & 6.4
5	Oct. 1	Oct. 3	Interest Rates and Bond Valuation	Ch. 7.1, 7.2, 7.3, 7.4, 7.5 & 7.6
6	<b>Oct. 8</b>	Oct 10	<b>Term Test # 1 (Chapter 1, 5 &amp; 6)</b>	No lecture
7	Oct. 15		Fall Recess (Oct 13- Oct 19)	Holiday
8	Oct. 22	Oct. 24	Stock Valuation	Ch. 8.1, 8.2 & 8.3
9	Oct. 29	Oct. 31	Lessons from Capital Market History	Ch. 12
10	Nov. 5	Nov. 7	Return, Risk, and the Security Market Line	Ch. 13.1-13.7
11	<b>Nov. 12</b>	Nov 14	<b>Term Test # 2 (Chapter 7, 8, 12 &amp; 13)</b>	No lecture
13	Nov. 19	Nov. 21	Net Present Value and Other Investment Criteria	Ch. 9
14	Nov 26	Nov 28	Making Capital Investment Decisions	Ch. 10.1-10.6
	<b>(Dec 6-19)</b>		<b>Final Exam Date TBD (Chapter 1, 5, 6, 7, 8, 9, 10, 12 &amp; 13)</b>	<b>Exam Period</b>

**Notes:**

- Readings and topics are tentative and may be adjusted depending on the course pace.
- Chapters covered in tutorials are examinable and may appear on quizzes, term tests, or the final exam.