MATH 424, Sec. 0101: Introduction to the Mathematics of Finance
Department of Mathematics, UMCP
Handout 1: COURSE SYLLABUS AND POLICIES

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Date: Monday, 08/31/15

Lectures: Room: MATH 0303

Time: MWF 9:00am–9:50pm

Instructor: Prof. Dio Margetis; e-mail: dio@math.umd.edu
Office: MATH 2106; phone: 5-5455.

Office hours: MW 10:00am-10:45am (after class) starting Wed Sept. 9, or by appointment.
Students coming to office hours should have specific and well-defined questions.

Prerequisites: MATH 141; and either STAT 400 or BMGT 231; or permission of instructor.


Course outline: Elementary concepts and tools of mathematical finance for students with strong mathematics background. The focus is quantitative methods that help understanding pricing of derivative securities, portfolio management and related questions.


A detailed syllabus is given on the Mathematics Department web page:

Most (but not all) of this material will be covered in class.

Course Web page (evolving): http://www.math.umd.edu/~diom/courses/MATH424/

Homeworks as well as any updates on the course material will be posted on this website as promptly as possible.

Grader: Cheng Jie; cjie@math.umd.edu

Timing of Exams: There will be three in-class exams and one final exam. Dates for in-class exams are: Fri. Sept. 25, Fri. Oct. 30, Wed. Dec. 9 The exam with the lowest score is dropped: only two of these in-class exams will count towards your final grade. The Final Exam is scheduled for Thursday Dec. 17, 8:00am-10:00am; the room will be the lecture room. I strongly advise you to take all these exams. (For grading scheme, see below.)

Homeworks: There will be 6 sets of required homeworks, due usually every 2 weeks. Some (but maybe not all) problems will be directly from the text. Once assigned, each homework must be turned in by the date specified. Late homeworks will not be accepted. Solutions to homeworks won’t be distributed. The requirements of legibility and clarity for tests apply even more strongly to homework sets. You are encouraged but not required to prepare your homework sets by using a word processor. Illegible problems will not be graded.

Grading scheme: 45% from two in-class exams (of equal weight); 25% from homeworks; and 30% from the final exam.

Exams policy: No calculators are allowed during exams. You are only allowed to use 1 page of handwritten notes (1 sheet of paper with both sides written) of your choice. You should
prepare these notes by yourselves. No open text will be allowed during any exam. Explanations in your test papers must be given in coherent English sentences. Minor algebraic and numerical errors, such as missing a sign, that are not symptomatic of a conceptual misunderstanding will be penalized minimally. Egregious errors, such as \( \frac{1}{a+b} = \frac{1}{a} + \frac{1}{b} \), will be penalized severely.

If you feel that you are entitled to more points on an exam or homework, you may resubmit your paper with a note explaining why you feel your grade should be changed. (Since each questioned problem will be very carefully reexamined, it is possible that you could actually end up losing points in the reevaluation process.) For the papers submitted before the final exam, the request for re-evaluation is considered as overdue if it is made later than 10 days after the return of the (graded) paper. An exception concerns the last in-class exam and the last homework, for which the allowed time for re-evaluation submission is limited to 5 days. The Instructor and grader reserve the right to disregard your paper resubmission if they deem this is overdue or unsubstantiated.

Make-up exams: There will be no make up exams: if you are absent from any test and you provide well in advance (10 days) a documented, valid justification for the reason of your absence, you may have the chance to make up via the final exam. (As stated in the above, only 2 of the 3 in-class exam will count towards the final grade.)

Academic Integrity. You are expected to read carefully and adhere to the following instruction provided by the Student Honor Council.

The University of Maryland, College Park has a nationally recognized Code of Academic Integrity, administered by the Student Honor Council. This Code sets standards for academic integrity at Maryland for all undergraduate and graduate students. As a student you are responsible for upholding these standards for this course. It is very important for you to be aware of the consequences of cheating, fabrication, facilitation, and plagiarism. For more information on the Code of Academic Integrity or the Student Honor Council, please visit http://www.shc.umd.edu

To further exhibit your commitment to academic integrity, remember to sign the Honor Pledge on all examinations and assignments: “I pledge on my honor that I have not given or received any unauthorized assistance on this examination (assignment).”

Additional note for MATH 424: You will not be asked to sign such a pledge on possible homework assignments, but you are nevertheless expected to adhere to the principles of the pledge. The rationale for the pledge is available online at http://www.umd.edu/honorpledge

Students With Disabilities. If you have a documented disability and need academic accommodations, please contact me as soon as possible. DSS Procedures: I ask that, within the 2nd week of classes, you submit 4 Test Authorization Forms (by DSS), one for each exam (3 in-class exams + Final).

Religious Observances. If you plan to be absent from class because of religious observances, please submit a list of the dates of your absences within the first week of classes.

Counseling. For confidential counseling and help with personal issues, students are advised to contact the UMD Help Center, 301-314-HELP (4357); please see http://www.umdhelpcenter.org/