



ECFS991

Equity Capital Markets

AFC Term 1 CBD 2017

Dept of Applied Finance and Actuarial Studies

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Disclaimer

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General Information

Unit convenor and teaching staff

Lecturer

David Rothery

david.rothery@mafc.mq.edu.au

Contact via Email

Credit points

2

Prerequisites

(Admission to MAppFin or GradDipAppFin) and ECFS866

Corequisites

Co-badged status

Unit description

This unit covers core methods for the raising and management of equity capital. In particular, students can anticipate completing the unit with a fundamental working practical knowledge of the processes and core theory that is required to conclude a successful IPO or secondary market equity capital raising. The unit also explores a range of capital management techniques, including share buybacks.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

Compare, contrast and critically evaluate major types of equity capital raisings (both primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.

Understand and apply capital management strategies and techniques, including the role of alternative mechanisms for returning capital to shareholders.

Understand regulatory and market requirements of equity raisings and capital return mechanisms.

Ability to implement major types of equity capital raisings, including IPO's, secondary

market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

General Assessment Information

To pass this unit (requires a Mark of 50 or better) the student must pass the final examination.

Assessment Tasks

Name	Weighting	Hurdle	Due
Class Participation	10%	No	Ongoing
Case Study	40%	No	Refer to iLearn
Final Exam	50%	Yes	Refer to Timetable

Class Participation

Due: **Ongoing**

Weighting: **10%**

Summary of Assessment Task

Individual / Group: Individual / Group

Due Date: Ongoing

Grading Method: Refer to 'Standards Required to Complete the Unit Satisfactorily' section

Submission Method: In class

Duration: Refer to iLearn

Extension Requests:

- No extensions are permitted.
- Late submission will result in zero marks, unless special consideration is approved by the Director of Studies under the University's Disruption to Studies Policy.

On successful completion you will be able to:

- Compare, contrast and critically evaluate major types of equity capital raisings (both primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.
- Understand and apply capital management strategies and techniques, including the role of alternative mechanisms for returning capital to shareholders.

- Ability to implement major types of equity capital raisings, including IPO's, secondary market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

Case Study

Due: **Refer to iLearn**

Weighting: **40%**

Summary of Assessment Task

Individual / Group: Individual

Due Date: Refer to the Unit's iLearn site

Grading Method: Refer to 'Standards Required to Complete the Unit Satisfactorily' section

Submission Method: Online via Turnitin on the Unit's iLearn site

Duration: Refer to Assignment coversheet

Extension Requests:

- If you have extenuating circumstances that prevent you from submitting your assignment by the due date, please make arrangements with your Lecturer prior to the due date.
- Unless prior arrangements have been made, any late submission of assignments will automatically be penalised. In the absence of special circumstances, the penalty will be 10% of the available marks for the assessment for each business day (or part thereof) they are late.

Other Information:

- Case Study will be handed out in class.
- Case Study is to be typed using 1.5 spacing in no smaller than 10 point Arial font.
- The case study will have both a word and page limit, details of which will be outlined in the instructions. It will require you to critically analyse the IPO, sale process and offer structure and you will need a thorough understanding of such factors as:
 - valuation for the purposes of an equity markets transaction;
 - offer structure;
 - regulatory issues that were encountered; and
 - the strategies and tactics that were used for the sale process.

On successful completion you will be able to:

- Compare, contrast and critically evaluate major types of equity capital raisings (both

primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.

- Understand regulatory and market requirements of equity raisings and capital return mechanisms.
- Ability to implement major types of equity capital raisings, including IPO's, secondary market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

Final Exam

Due: **Refer to Timetable**

Weighting: **50%**

This is a hurdle assessment task (see [assessment policy](#) for more information on hurdle assessment tasks)

Summary of Assessment Task

Individual / Group: Individual

Due Date: Refer to Timetable. Assessments: Different Class Groups have different deadlines. Students should find the timetable and dates relevant to their group at www.mafc.mq.edu.au

Grading Method: Refer to 'Standards Required to Complete the Unit Satisfactorily' section

Submission Method: As per MAFC Program Rules & Procedures at www.mafc.mq.edu.au

Duration: 2 hours plus 10 minutes reading time

Examination Conditions:

- All examinations are closed book. However, permitted materials and aids include calculators and a single A4 page with writing on both sides which must be handed in with the exam paper. Permitted calculators are noted under 'Calculators' below.
- Exam times and locations are noted in the unit timetable at www.mafc.mq.edu.au.
- Refer to MAFC Program Rules & Procedures at www.mafc.mq.edu.au.

Extension Requests:

- You are expected to present yourself for examination at the time and place designated in the relevant MAFC Timetable at www.mafc.mq.edu.au.
- Deferral of an examination is not permitted, unless special consideration has been approved by the Director of Studies under the University's Disruption to Studies Policy.
- Refer to MAFC Program Rules & Procedures at www.mafc.mq.edu.au for information on the University's Disruption to Studies Policy or non-attendance at an examination.

On successful completion you will be able to:

- Compare, contrast and critically evaluate major types of equity capital raisings (both primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.
- Understand and apply capital management strategies and techniques, including the role of alternative mechanisms for returning capital to shareholders.
- Understand regulatory and market requirements of equity raisings and capital return mechanisms.
- Ability to implement major types of equity capital raisings, including IPO's, secondary market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

Delivery and Resources

CLASSES

Face-to-Face Teaching: Generally 20 hours

Timetable: Detailed timetable for classes are on the Centre's web site www.mafc.mq.edu.au

Consultation Times:

Students who wish to contact any of the teaching staff may do so through:

- The Unit's iLearn site, in relation to general queries (so that all students may benefit); or
- Individual consultation with the lecturer by email in the first instance, if necessary.

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Text: Nil

Additional Readings:

- Additional readings are available on iLearn.
- Students should assume these readings are examinable unless otherwise advised.

Lecture Notes: Available in printed form and electronically via iLearn.

Pre-Unit Materials: Information papers on statistics, regression, accounting and other material may be found at <http://www.mafc.mq.edu.au/applications/minimum-knowledge-requirement/pre-course-materials1/>. Students should work through this material prior to commencing the degree.

The material will remain a useful reference as students progress through the program.

Useful References: ASX Listing Rules, Consultation Papers and Exposure Drafts.

Calculators:

- A financial calculator that can handle time value of money calculations, logs and power functions is required.
- The Hewlett Packard calculator hp17bII+ is recommended.
- In examinations, hand held calculators are permitted. Mobile phones and computers are not permitted.

Assumed Knowledge:

- An understanding of valuation concepts and of financial reports is assumed. The unit has both qualitative and quantitative aspects to it. The key areas for financial analysis are financial assessment of the performance of companies and the practical application of valuation principles.
- Students should look at the Web link below to obtain notes on the minimum mathematical and statistical knowledge required to undertake the Master of Applied Finance degree: <http://www.mafc.mq.edu.au/applications/minimum-knowledge-requirement/pre-course-materials1/>

Assumed Access:

- Access to a computer with word processing and spreadsheet capability, email software and your own connection to an internet service provider are assumed.
- General student computer literacy is also assumed.

TECHNOLOGY USED AND REQUIRED

Unit iLearn Site:

- Found by logging on to iLearn ilearn.mq.edu.au, then clicking on **Equity Capital Markets**.
- This is where you will find forums, downloadable resources and links to important pages.
- The forum allows you to communicate with other students and lecturer(s) and may provide supplementary material.
- You are requested to post your questions on the forums at least 24 hours prior to the assignment submission date or the examination date. Questions posted after that time may not be answered. **Please try to not leave your questions to the last few days.**

Important Notice:

- It is important that you familiarize yourself with the Unit's iLearn site.
- Students should check the Unit's iLearn site regularly (minimum twice a week and prior

to all lectures) and look for updates and distribution of materials (including case studies) related to the unit or assessments and, if relevant, participate in forum discussions.

Unit Schedule

MATERIALS

Topics:

- Lecture Slides
- ASX Listing Rules – Chapters 1, 2, 7, 9 & 11
- ASIC Regulatory Guides– 254 Offering securities under a disclosure document, 170 Prospective Financial Information, 173 Disclosure for on-sale of securities and other financial products, 228 - Prospectuses: Effective disclosure for retail investors, available from the ASIC website <http://www.asic.gov.au/>
- ASIC Share Purchase Plan class order
- ASX Guidance Note – 1 Applying for Admission
- ASX Guidance Note – 11 Restricted Securities and Voluntary Escrow
- ASX Guidance Note – 12 Changes to Activities
- ASX paper on capital raisings during the Global Financial Crisis
- MGSM paper on pricing efficiency in IPOs
- ASX IPO brochure
- Takeovers Panel Guidance Note 17
- IPO Share Offer Document – MYOB, Dick Smith Holdings
- Rights issue case study – Boral (2016)
- Hybrid announcement, presentation and terms – PERLS VIII

INTRODUCTION TO ECM

Topics:

- Introduction
 - ECM Activity in the GFC
 - ECM advantages
 - What is ECM?
 - Case study: IPO pricing – Alibaba
- Basic Concepts
 - What is key to ECM?
 - ECM in an investment bank

- What does ECM involve?
- Equity markets in Australia
- Key Australian regulations
- Principles Underlying the Listing Rules
- Disclosure
- Benefits of Equity Listing
- Who are the Investors?
- Key Players - **The Issuer**
- Key Players - **Advisors**
- Valuation Concepts
 - Yields, Price to Earnings, Pay-Out Ratios, EBITDA multiples, Franking
 - Historical versus Prospective Forecasts
 - Role of DCF Analysis
- Global Equity Markets
 - Table of global market rankings
 - Japan
 - China
 - Hong Kong
 - Singapore
 - United Kingdom
 - Germany
 - Euronext
 - US Markets
 - ASX
 - Case Study – Comparison of global equity markets
 - Different ways to issue and manage equity

BLOCK TRADES

Topics:

- Bookbuild – overnight
- Trading halts and voluntary suspensions

PRIMARY ISSUANCE

Topics:

- Initial Public Offerings
 - Initial Public Offerings

- Largest IPOs
- IPOs – ASX Listing Rules
- ASX Listing Rules – Chapter 1 Admission
- Rule 1.2 The Profit Test
- Rule 1.3 The Assets Test
- Working Capital
- Initial Public Offerings – ASX’s discretion to refuse admission
- ASX Listing Rules - Chapter 2 Quotation
- The Corporations Act, Chapter 6D – Fundraising
- S708 - Offers that Do Not Need Disclosure
- S708A - Sale Offers That Do Not Need Disclosure (Placement exemption)
- The Role of Seed Capital at Pre-IPO
- What Makes a Good Offering?
- Escrow (ASX Ch9 – Restricted Securities)
- Liquidity and Free Float
- Competent Board and Management
- IPO – the Syndicate
- The Lead Manager
- Co Lead Managers
- The Underwriter
- Underwriting Agreement
- Prospectus Content
- S710-General Disclosure Test
- Prospectus contents
- OFFERlist
- S711 – Specific Disclosures
- The Procedure for Offering Securities
- S717 – Overview
- Protections
- Prohibitions and Liabilities
- S728 – Misstatement in, or Omission from, Disclosure Document
- S729 – Right to Recover Loss or Damage Resulting from Contravention
- Due Diligence and the DD Defence
- S731 – Due Diligence Defence for Prospectuses
- S733 – General Defences

- Due Diligence
- Due Diligence Planning Memorandum
- Forecasts
- Pre-deal research
- ASIC guidelines RG254
- The Selling Syndicate
- Pricing and Allocation
- Where to price the deal?
- Case study: Bookbuild
- Marketing the offer
- Investor Roadshows and Pre-Marketing
- Offering Enhancements
- Pricing and Book Builds
- IPO Pricing
- Book Builds
- Market Stabilisation and the Greenshoe
- Back-Door Listings
 - Characteristics of a clean “shell” company
 - ASX Listing Rules, Chapter 11 Significant Transactions Back-Door Listings – Advantages & Disadvantages
 - ASX Ruling in relation to Chapter 11

SECONDARY MARKET ISSUANCE

Topics:

- Introduction
 - Secondary Market Issuance – Offer Structures
 - Secondary Market Issuance: Banks 2015
- Placements
 - Definition of ‘Placement’
 - Strategic Issues
 - Typical Discounts
 - Cornerstones
 - Disclosure
 - Trading Halt
 - Advantages
 - Disadvantages

- Rule 7.1- Issues exceeding 15% of capital
- Rule 7.2 – Exceptions to rule 7.1
- Rule 7.3 - Notice requirements for approval under rule 7.1 and 7.1.5(a)
- Rights Issues
 - Definition
 - Rights issue under LR 7.11
 - Theoretical Pricing of Shares
 - Theoretical Pricing of Rights
 - AREO Offer
 - SAREO Offer
 - ANREO Offer
 - Accelerated Non-Renounceable Entitlement Offer timetable
 - Accelerated Renounceable Entitlement Offer timetable
 - Disclosure requirements
 - Continuous disclosure
 - Soundings
 - Takeovers Panel Guidance Note 17
- Share/security Purchase Plans (SPPs)
 - Definitions
 - Advantages & Disadvantages
 - Timing, Pricing, Underwriting, Documentation
 - Limitations
- Dividend/distribution Reinvestment Plans (DRPs)
 - Definitions
 - Pricing
 - Underwriting
- Convertibles and Hybrids
 - Different types
 - ASX listed debt/hybrid market
 - What makes it an equity like instrument?
 - Key events that have shaped the development of the ASX listed debt market over the past decade
 - Example ASX listed corporate issues
 - Example ASX listed financial issues
 - ASX listed debt/hybrid market

- Case Study: PERLS VIII
- Convertible bond with asset swap

CAPITAL MANAGEMENT

Topics:

- Share Buy-Backs
 - Background
 - A capital reduction may be motivated by:
 - Types of share buyback
 - Pro-rata capital return (s256 CA)
 - Corporate Attraction
 - On Market Buy-Back
 - Off-Market Buy-Back (Equal Access)
 - Case study: BHP Off-Market Buy-Back
- Off-Market Buy-Back (Selective Access) Demergers
 - Attraction to investors
 - Attraction to parent
 - Attraction to demerged business
 - Steps in a demerger
- Demergers: Clydesdale Bank Multiple Listings
 - Different types of arrangements for companies to have listings on more than one exchange
 - Dual Listed Companies
 - Companies with a secondary listing
 - Companies with different classes of shares listed on different exchanges
 - Depository Receipts
 - American Depository Receipts
- Splits, bonuses and consolidations

Learning and Teaching Activities

Strategy

The Master of Applied Finance degree adopts a deep teaching and learning strategy, in which Students acquire and retain knowledge and also are able to make sense of the issues and concepts and apply them in the “real world”. The degree relies heavily on student engagement and participation by: (a) Continuous learning throughout the semester. This is encouraged through a combination of students undertaking prescribed reading throughout the units and / or completion of practice problems, case studies, assignments, class presentations etc and

interaction via forums in the unit's iLearn site; and (b) Assessments, which enable the student to demonstrate his / her understanding of the learning objectives achieved through the continuous learning.

Student Participation

Students participate in this unit by: (a) Attending lectures and participating in class discussion; (b) Before each class, completing the recommended readings of notes and text, and working systematically through suggested problem sets; (c) Interacting on the unit's iLearn site; and (d) Completing all assessment tasks and exams. On average the unit will require students to complete, for every hour of class time, approximately 3 hours private study.

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy http://mq.edu.au/policy/docs/assessment/policy_2016.html

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Complaint Management Procedure for Students and Members of the Public http://www.mq.edu.au/policy/docs/complaint_management/procedure.html

Disruption to Studies Policy (in effect until Dec 4th, 2017): http://www.mq.edu.au/policy/docs/disruption_studies/policy.html

Special Consideration Policy (in effect from Dec 4th, 2017): <https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit ask.mq.edu.au.

Students should also consult the MAFC Program Rules & Procedures found at <http://www.mafc.mq.edu.au>

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://stu>

dents.mq.edu.au/support/

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

Student enquiry service (MAFC-specific)

For all student enquires, please contact studentsupport@mafc.mq.edu.au

Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

Learning Skills

Learning Skills (http://www.students.mq.edu.au/support/learning_skills/) provides academic writing resources and study strategies to improve your marks and take control of your study.

- Workshops
- StudyWise
- Academic Integrity Module for Students
- Ask a Learning Adviser

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

IT Help

For help with University computer systems and technology, visit http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

When using the University's IT, you must adhere to the [Acceptable Use of IT Resources Policy](#). The policy applies to all who connect to the MQ network including students.

Graduate Capabilities

PG - Capable of Professional and Personal Judgment and Initiative

Our postgraduates will demonstrate a high standard of discernment and common sense in their

professional and personal judgment. They will have the ability to make informed choices and decisions that reflect both the nature of their professional work and their personal perspectives.

This graduate capability is supported by:

Learning outcomes

- Compare, contrast and critically evaluate major types of equity capital raisings (both primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.
- Understand and apply capital management strategies and techniques, including the role of alternative mechanisms for returning capital to shareholders.
- Understand regulatory and market requirements of equity raisings and capital return mechanisms.
- Ability to implement major types of equity capital raisings, including IPO's, secondary market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

Assessment tasks

- Class Participation
- Case Study
- Final Exam

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- Compare, contrast and critically evaluate major types of equity capital raisings (both primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.
- Understand and apply capital management strategies and techniques, including the role of alternative mechanisms for returning capital to shareholders.
- Understand regulatory and market requirements of equity raisings and capital return mechanisms.

- Ability to implement major types of equity capital raisings, including IPO's, secondary market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

Assessment tasks

- Class Participation
- Case Study
- Final Exam

PG - Research and Problem Solving Capability

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and problem solving.

This graduate capability is supported by:

Learning outcomes

- Compare, contrast and critically evaluate major types of equity capital raisings (both primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.
- Understand and apply capital management strategies and techniques, including the role of alternative mechanisms for returning capital to shareholders.
- Understand regulatory and market requirements of equity raisings and capital return mechanisms.
- Ability to implement major types of equity capital raisings, including IPO's, secondary market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

Assessment tasks

- Class Participation
- Case Study
- Final Exam

PG - Engaged and Responsible, Active and Ethical Citizens

Our postgraduates will be ethically aware and capable of confident transformative action in relation to their professional responsibilities and the wider community. They will have a sense of connectedness with others and country and have a sense of mutual obligation. They will be able

to appreciate the impact of their professional roles for social justice and inclusion related to national and global issues

This graduate capability is supported by:

Learning outcomes

- Compare, contrast and critically evaluate major types of equity capital raisings (both primary and secondary market issuance) in terms of their role in the organisation's capital strategy, and their costs, risks and benefits.
- Understand and apply capital management strategies and techniques, including the role of alternative mechanisms for returning capital to shareholders.
- Understand regulatory and market requirements of equity raisings and capital return mechanisms.
- Ability to implement major types of equity capital raisings, including IPO's, secondary market offers, block trades or share buybacks. This will cover the process from selection of appropriate method, pricing, legal and regulatory requirements and execution of transaction.

Assessment tasks

- Class Participation
- Case Study
- Final Exam

Changes from Previous Offering

Important Notice

This Unit Guide may be subject to change. The latest version is on the Centre's web site www.mafc.mq.edu.au.

Students should read the Unit Guide carefully at the start of semester. It contains important information about the Unit. If anything is unclear, please consult one of the unit lecturers.

Standards Required to Complete the Unit Satisfactorily

University Policy on Grading:

- Macquarie University's Academic Senate has established a Grading Policy available at <http://www.mq.edu.au/policy/docs/grading/policy.html>. Your final result will include:
 - A Grade ranging from Fail to High Distinction; and
 - A numerical Mark, which is a summation of the individual assessment components, providing the examination component is passed.

- It is important to note:
 - The Policy does not require that a minimum or maximum number of students are to be failed in any unit;
 - Grades will not be allocated to fit a predetermined distribution; and
 - Grades for all individual assessment items will be released to students, but Marks may not necessarily be released.

Specific Unit Grading:

- To pass this unit (requires a Mark of 50 or better) the student must pass the final examination.
- All final Marks and Grades in the Applied Finance Centre are determined by a grading committee and are not the sole responsibility of the unit convenor.
- The core criteria used to assess student work in this unit are:
 - Knowledge and understanding: Understanding key ideas, knowledge and use of concepts.
 - Application: Ability to apply theoretical ideas and frameworks in practice and in a critically reflective way.
 - Reasoning and analysis: Ability to analyse, use critical reasoning and principles to formulate a position, balancing theory and personal reflection.
 - Professional literacy and research: Understanding of professional factors (language and landscape) and ability to undertake appropriate research.
 - Communication and presentation: Ability to communicate and present effectively (written and oral, as relevant).
 - Use of mathematical and statistical ideas: Ability to use mathematical and statistical ideas, methods and formulae appropriately.
- Performance in relation to each of these criteria are assessed against the University’s grading descriptors:

Grade	Expectation
High Distinction	Provides consistent evidence of deep and critical understanding in relation to the learning outcomes. There is substantial originality and insight in identifying, generating and communicating competing arguments, perspectives or problem solving approaches; critical evaluation of problems, their solutions and their implications; creativity in application as appropriate to the discipline.
Distinction	Provides evidence of integration and evaluation of critical ideas, principles and theories, distinctive insight and ability in applying relevant skills and concepts in relation to learning outcomes. There is demonstration of frequent originality in defining and analysing issues or problems and providing solutions; and the use of means of communication appropriate to the discipline and the audience.

Grade	Expectation
Credit	Provides evidence of learning that goes beyond replication of content knowledge or skills relevant to the learning outcomes. There is demonstration of substantial understanding of fundamental concepts in the field of study and the ability to apply these concepts in a variety of contexts; convincing argumentation with appropriate coherent justification; communication of ideas fluently and clearly in terms of the conventions of the discipline.
Pass	Provides sufficient evidence of the achievement of learning outcomes. There is demonstration of understanding and application of fundamental concepts of the field of study; routine argumentation with acceptable justification; communication of information and ideas adequately in terms of the conventions of the discipline. The learning attainment is considered satisfactory or adequate or competent or capable in relation to the specified outcomes.
Fail	Does not provide evidence of attainment of learning outcomes. There is missing or partial or superficial or faulty understanding and application of the fundamental concepts in the field of study; missing, undeveloped, inappropriate or confusing argumentation; incomplete, confusing or lacking communication of ideas in ways that give little attention to the conventions of the discipline.

Review of Grade and final examination Script viewing:

- A student who has been awarded a final grade for a unit and who does not believe it is an accurate reflection of their performance, and has grounds for such a claim and can demonstrate those grounds, may apply to have their grade reviewed.
- For information on requesting a review of grade and/or viewing your final exam script, please refer to the University's Grade Appeal Policy at <http://www.mq.edu.au/policy/docs/gradeappeal/policy.html> and MAFC Program Rules & Procedures at <http://www.mafc.mq.edu.au>.