Reading Assignment Class 7 (October 4, 2006):

A. From *Corporate Finance* by William Bratton

**Part II - Senior Securities**

**Section A — Bondholders’ Rights**

Part 2 – The Bondholder and the Going Concern

- Re-read subpart (B), subsection (2), “Event Risk and Bond Contracts,” including the *Metropolitan Life Insurance v. RJR Nabisco* case and following four Notes, pp. 222-243.

Part 3 -- Creditor Protection in Law


**Section C -- Convertible Securities and Warrants**

- Read Introduction and Part 1--Valuation, pp. 412-418.

Part 2 -- Conflicts of Interest


**Appendices**