Reading Assignment Class 10 (October 25, 2006):

A. From *Corporate Finance* by William Bratton

**Part II - Senior Securities**

*Section C -- Convertible Securities and Warrants*

Part 2 -- Conflicts of Interest


*Section B -- Preferred Stockholders’ Rights*

Part 1 -- Preferred Stock Financing

- Re-read subparts (A) and (B), “Preferred Stock Defined” and “The Preferred Stock Contract,” pp. 353-360.

Part 2 -- Claims to Dividends

- Re-read subparts (A) and (B), “Preferred Stock Dividend Provisions” and “Board Discretion to Withhold Payment,” pp. 362-367.

Part 3 -- Claims to Principal, Including Arrearages


B. From Handout