

Review of Basic Capital Components Corporate Long-term Debt and Preferred

Stock

Corporate Long-term Debt and Preferred Stock

Please read Sections 15.2 - 15.5 in the assigned textbook, and reference Lecture Slides 16 - 35 for further information and numerical illustrations.

Slides 16 - 19 and Section 15.1 cover preferred stocks; Slides 20 - 28 and Section 15.2 cover basic features of bonds with a brief review of bond valuation; Slides 29 - 35 and Sections 15.3 - 15.5 cover different types of bonds.

These topics are typically covered in introductory accounting and finance courses. However, a basic review of debt and preferred stock financing is available in the assigned textbook. Feel free to post questions related to these review topics on the designated discussion forum.