

CORPORATE FINANCE

Jeffrey J. Haas

Hornbook Series

CORPORATE FINANCE

by

Jeffrey J. Haas

*Professor of Law
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In loving memory of my mother Nancy.

Preface

I was delighted when West asked me to expand my popular Nutshell on Corporate Finance into a full-fledged hornbook. The opportunity allowed me to address many additional important and incredibly interesting topics arising at the intersection of finance and law. It also provided me with the chance to more fully list and describe supporting materials through a fully footnoted format. I look forward to producing future editions and expanding the topics covered. I truly hope you find the final product insightful and helpful in your endeavors, whatever they may be.

JEFFREY J. HAAS

New York, New York
June 30, 2014

Abbreviations

ALI-PCG	American Law Institute's Principles of Corporate Governance: Analysis and Recommendations (1994)
Bankruptcy Code	Bankruptcy Reform Act of 1978, as amended (11 U.S.C. § 101 <i>et seq.</i>)
CEA	Commodity Exchange Act of 1922, as amended (7 U.S.C. § 1 <i>et seq.</i>)
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 <i>et seq.</i>)
CFTC	Commodity Futures Trading Commission
DCF	Discounted Cash Flow (Valuation) Method
DDM	Dividend Discount (Valuation) Method
DGCL	Delaware General Corporation Law (Del. C. tit. 8, § 101 <i>et seq.</i>)
DIP	Debtor-in-possession under the Bankruptcy Code
Dodd-Frank	Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (12 U.S.C. § 5301 <i>et seq.</i>)
ECMH	Efficient Capital Market Hypothesis
ERISA	Employee Retirement Income Security Act of 1974 (29 U.S.C. § 1001 <i>et seq.</i>)
Exchange Act	Securities Exchange Act of 1934, as amended (15 U.S.C. § 78a <i>et seq.</i>)
Exchange Act Rules	Rules promulgated by the SEC under the Exchange Act (17 CFR Part 240)
Fannie Mae	Federal National Mortgage Association
FINRA	Financial Industry Regulatory Authority
Freddie Mac	Federal Home Loan Mortgage Corporation
FV	Future value
GAAP	U.S. generally accepted accounting principles

Ginnie Mae	Government National Mortgage Association
IPO	Initial public offering
IRC	Internal Revenue Code of 1986, as amended (26 U.S.C. § 1 <i>et seq.</i>)
LBO	Leveraged buy-out
M&A	Mergers and acquisitions
MBCA	Model Business Corporation Act
MBO	Management buy-out
MDIP	Model Debenture Indenture Provisions of the American Bar Foundation (1971)
MNCRD	Model Negotiated Covenants and Related Definitions (61 Bus. Law. 1439 (2006))
NYBCL	New York Business Corporation Law (N.Y. Bus. Corp. Law § 101 <i>et seq.</i>)
NYSE	New York Stock Exchange
OTC	Over-the-counter (market)
P&L	Profit and loss (statement)
PV	Present value
RMSI	Revised Model Simplified Indenture (55 Bus. Law. 1115 (2000))
SEC	Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended (15 U.S.C. § 77a <i>et seq.</i>)
Securities Act Rules	Rules promulgated by the SEC under the Securities Act (17 CFR Part 230)
SOX	Sarbanes-Oxley Act of 2002
TIA	Trust Indenture Act of 1939, as amended (15 U.S.C. § 77aaa <i>et seq.</i>)
UCC	Uniform Commercial Code

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