

Seminar II

*Problem 1.*

Discuss reasons why a collateralized asset may be of higher value to the entrepreneur than to an outside investor.

*Problem 2.*

Review Problem 2, part (iii), in Tirole, p. 626.

*Problem 3.*

Review Problem 4, parts (i)-(iii), in Tirole, pp. 627-628.

*Problem 4.*

Exercise 4.10 in Tirole, pp. 191-192.

*Problem 5.*

Exercise 4.2 in Tirole, p. 188.