

Dr. Bhagat is a nationally recognized expert on lawsuits concerning

- ▶ Governance aspects of the subprime crisis,
- ▶ Valuation of private corporations,
- ▶ Valuation of employee stock options,
- ▶ Corporate governance and executive compensation, and
- ▶ Impact of litigation on corporate value.



Dr. Bhagat is Professor of Finance at the University of Colorado at Boulder. He has worked previously at the U.S. Securities and Exchange Commission, Princeton University, and University of Chicago. He has an MBA from the University of Rochester and a Ph.D. from the University of Washington.

He has published extensively in the leading Finance and Law academic journals (such as, the *Journal of Finance*, *Journal of Financial Economics*, *American Law and Economics Review*, *Columbia Law Review*, *Journal of Corporation Law*).

Dr. Bhagat has testified in court, written expert affidavits, and been deposed by opposing attorneys. Dr. Bhagat has consulted as an expert for the following law firms:

Clifford Chance (New York)

Dreier LLP (New York)

Munger, Tolles & Olson LLP (Los Angeles)

Gibson, Dunn & Crutcher (Denver).

He is a board member of Integra Ventures, a venture-capital company; and of the National Association of Corporate Directors – Colorado Chapter. He is also a founding director of the TiE-Rockies (The Indus Entrepreneurs), a professional group serving the technology entrepreneurs.

He has served as the Associate Editor for the *Journal of Financial and Quantitative Analysis*, *Journal of Financial Research*, and *Journal of Corporate Finance*. He has advised U.S. government agencies and Fortune 500 companies on corporate governance and finance issues. His work is regularly cited in the popular and financial media such as the *Wall Street Journal*, *Barron's*, *Economist*, *New York Times*.

SANJAI BHAGAT

Leeds School of Business
University of Colorado at Boulder
Boulder, CO 80309-0419

(303) 492-7821
sanjai.bhagat@colorado.edu
<http://leeds.colorado.edu/faculty/bhagat>

EDUCATION

University of Washington, Finance, 1982, Ph.D.
University of Rochester, Finance, Applied Economics, 1980, MBA
Indian Institute of Technology - Delhi, Mechanical Engineering, 1978, B.Tech.

EMPLOYMENT

1989-Present University of Colorado, Professor of Finance
1993-1994 Princeton University, Visiting Professor of Economics
1987-1989 University of Chicago, Visiting Associate Professor of Finance
1982-1987 University of Utah, Associate Professor of Finance
1983-1984 University of Washington, Visiting Assistant Professor of Finance
Summer 1983 U.S. Securities and Exchange Commission, Economic Fellow

HONORS

Graduate Professor of the Year, 1998.
Frascona Undergraduate Teaching Excellence Award, 2002.
William Baughn Distinguished Scholar, 2000.
Best Corporate Finance Paper Award, 2002.
MBA Educator of Distinction Award Finalist, 2005.
"10 Best Corporate and Securities Articles" Award, 1999.
CU Emerging Leaders Program Participant, 2003-2004.

PROFESSIONAL ACTIVITIES

Board Member, Integra Ventures LLP.
Founding Board Member, TiE-Rockies, a professional group serving the technology entrepreneurs of Colorado.
Executive Board Member, National Association of Corporate Directors – Colorado Chapter.

SELECTED PUBLIC PRESENTATIONS TO PROFESSIONAL GROUPS

October 2007. Presentation on Corporate Governance to Grant Thornton LLP in Chicago.
April 2007. Presentation on Corporate Governance and Company Performance to Clifford Chance law firm in New York.
April 2007. Presentation on Strategic Response to Corporate Litigation to Dreier LLP law firm in New York.
October 2006, Presentation on Valuation of High Growth companies to a group of senior private equity professionals in New York.
June 2006: Presentation on corporate governance to JPMorgan Chase in New York. Audience included senior corporate attorneys and executives.

May 2006: Moderator for Governance in the Family Owned Business panel discussion in Denver, National Association of Corporate Directors – Colorado Chapter. Audience included CEOs of large businesses owned by Colorado families.

March 2006: Presentation on Proxy Voting for Money Managers. Investment Company Institute Annual Conference in Scottsdale, AZ. Audience included senior hedge-fund and mutual-fund investment managers.

March 2005. Presentation on Strategic Response to Corporate Litigation to Patton & Boggs law firm in Denver. Audience included senior corporate attorneys and executives.

December 2004: October 2006, Presentation on Valuation of High Growth companies to a group of Goldman Sachs executives in New York.

May 2004: Keynote Speaker on Conference on Corporate Governance at the American Enterprise Institute, Washington DC. Audience included government regulators, policy advisors, corporate executives and attorneys.

December 2003: Presentation on valuation and litigation to Kirkland & Ellis law firm in New York. Audience included senior corporate attorneys and executives.

April 2002: Presentation on performance measurement to the Financial Executives Institute (FEI) Annual Conference in Colorado Springs. Audience included CFOs and senior finance managers of US corporations.

March 2002: Presentation on corporate board compensation and corporate performance to the US Securities & Exchange Commission in Washington DC. Audience included SEC policy analysts and economists.

October 2001: Presentation on valuation strategies to Dana & Wiggins in New Haven CT, a Connecticut law firm. Audience included corporate lawyers.

August 2001: Presentation on valuation to Greenberg & Traurig law firm in Denver. Audience included corporate lawyers.

September 2000: Presentation on corporate governance related to mergers to the US Department of Justice in Washington DC. Audience included lawyers and policy-makers.

October 1999: Presentation on management compensation to Colorado Young Entrepreneur's Organization in Denver. Keynote Speaker. Audience included successful Colorado entrepreneurs.

May 1999: Presentation on financial management in the healthcare industry to the Colorado Health Management Association in Denver. Keynote Speaker. Audience included senior-level managers in the healthcare industry.

April 1998: Presentation on corporate performance measurement to the Q-Group Annual Conference in Tampa FL. Audience included senior investment bankers and investment professionals.

PUBLICATIONS

"The Promise and Perils of Corporate Governance Indices," **Columbia Law Review**, forthcoming 2008, with Roberta Romano and Brian Bolton.

"The Impact of Fundamentals and Signaling on IPO Valuation," **Financial Management**, forthcoming 2008, with Rajesh Aggarwal and S. Rangan.

"Empirical Studies of Corporate Law," in **Handbook of Law & Economics** edited by Mitch Polinsky and Steven Shavell (Harvard Law School), North Holland, 2007, with Roberta Romano.

"Corporate Governance and Firm Performance," **Journal of Corporate Finance**, forthcoming 2008, with Brian Bolton.

"Do Tender Offers Create Value? New Methods and Evidence," **Journal of Financial Economics**, 2005, V76, pages 3-66, with David Hirshleifer, Ming Dong, and Robert Noah.

"Investment and Internal Funds of Distressed Firms," **Journal of Corporate Finance**, V11 N3, 2005, 449-472, with Nathalie Moyen and Inchul Suh.

"Event Studies and the Law: Part II: Empirical Studies of Corporate Law," 2002, **American Law and Economics Review** V4 N2, with Roberta Romano.

"The Non-Correlation Between Board Independence and Long-Term Firm Performance," **Journal of Corporation Law**, 2002, Volume 27, Number 2, with Bernard Black.

The Econometrics of Corporate Governance Studies, MIT Press, Cambridge, MA, 2002, (second edition, 2005) with Richard Jefferis.

"Event Studies and the Law: Part I: Technique and Corporate Litigation," 2002, **American Law and Economics Review** V4 N1, with Roberta Romano.

"Real Options in the Telecommunications Industry," in **Real Options: The New Investment Theory and its Implications for Telecommunications Economics** (1999), Kluwer Academic Publishers, Boston, MA.

"Director Ownership, Corporate Performance, and Management Turnover," **The Business Lawyer**, May 1999, Volume 54, with Dennis Carey and Charles Elson.

"The Uncertain Relationship Between Board Composition and Firm Performance," **The Business Lawyer**, May 1999, Volume 54, with Bernard Black. Also, in **The Power and Influence of Pension and Mutual Funds** (ed. R. Smith), 1998. Also

forthcoming in **Comparative Corporate Governance: The State of the Art and Emerging Research** (eds. K. Hopt, M. Roe, and E. Wymeersch, 1999).

"Why Consumers Choose Managed Mutual Funds Over Index Funds: Hypotheses from Consumer," **Journal of Consumer Affairs**, 1999, Volume 33, Number 1, 187-205, with D.R. Lichtenstein and P.J. Kaufman.

"The Shareholder Wealth Implications of Corporate Lawsuits," **Financial Management**, 1998, Volume 27, Number 4, 5-27, with J.L. Coles and J. Bizjak.

"Shareholder Litigation: Share Price Movements, News Releases, and Settlement Amounts," **Managerial & Decision Economics**, 1998, Volume 18, 563-586, with J.D. Beck.

"Independent Directors," in **The New Palmgrave Dictionary of Economics and the Law**, Macmillan Press, 1998, with B.S. Black.

Corporate Performance and Blockholdings of Investment Professionals, Association for Investment and Research (AIMR), December 1997, with B.S. Black and M. Blair.

"Do Trademark Infringement Lawsuits Affect Brand Value?" **Journal of Market-Focused Management**, Volume 2, 127-148, November 1997, with U.N. Umesh.

"Do Independent Directors Matter?" abstract in **Journal of Finance**, Volume 52, No. 3, July 1997, with B.S. Black.

"Corporate Performance, Governance, and Discipline: The Impact of Defensive Activity on Takeovers and Managerial Turnover" abstract in **Journal of Finance**, Volume 50, No.3, July 1995, with R.H. Jefferis.

"Corporate Research & Development Investments: International Comparisons," **Journal of Accounting and Economics**, Volume 19, Nos. 2 & 3, March-May 1995, with I. Welch. Abstracted in **Journal of Economic Literature**, Volume 33, p 2357, 1995.

"The Causes and Consequences of Takeover Defense : Evidence from Greenmail," **Journal of Corporate Finance**, Volume 1, No. 2, August 1994, with R.H. Jefferis.

"The Costs of Inefficient Bargaining and Financial Distress: Evidence from Corporate Lawsuits," **Journal of Financial Economics**, Volume 35, No. 2, April 1994, with J.A. Brickley and J.L. Coles. Abstracted in **Journal of Economic Literature**, Volume 32, p1546, 1994.

"Market-Based Estimates of Value Gains from Takeovers" abstract in **Journal of Finance**, Vol. 48, No.3, July 1993, with D. Hirshleifer.

"Pre-emptive Rights," **The New Palmgrave Dictionary of Money and Finance**, 1992, with R.P. Beatty and R.H. Jefferis.

"Voting Power in the Proxy Process: The Case of Antitakeover Charter Amendments," **Journal of Financial Economics**, Volume 30, No. 1, November 1991, with R.H. Jefferis. Abstracted in **Journal of Economic Literature**, Volume 30, p 1829, 1992.

"Hostile Takeovers in the 1980's: The Return to Corporate Specialization," **Brookings Papers on Economic Activity: Microeconomics**, 1990, with A. Shleifer and R.W. Vishny. Reprinted in **Economic Foundations of Corporate Law**, 1993, Yale University. Reprinted in **The International Library of Management: Takeovers**, 1996, Dartmouth Publishing.

"Indemnification and Liability Insurance for Corporate Management: The Effect on Shareholder Wealth," **Journal of Risk and Insurance**, Volume 54, No. 4, December 1987, with J.A. Brickley and J.L. Coles. Abstracted in **Journal of Economic Literature**, Volume 26, p 2126, 1988.

"The Pricing Effects of Interfirm Cash Tender Offers," **Journal of Finance**, Volume 42, No. 4, September 1987, with J.A. Brickley and U. Loewenstein. Abstracted in **Journal of Economic Literature**, Volume 26, p 475, 1988.

"Size Effects of Seasoned Stock Issues: Empirical Evidence," **Journal of Business**, Volume 59, No. 4, Part 1, October 1986, with A.C. Hess. Abstracted in **Journal of Economic Literature**, Volume 25, p 1154, 1987.

"The Authorization of Additional Common Stock: An Empirical Investigation," **Financial Management**, Volume 15, No. 3, Autumn 1986, with J.A. Brickley and R.C. Lease.

"The Effect of Management's Choice between Negotiated and Competitive Offerings on Shareholder Wealth," **Journal of Financial and Quantitative Analysis**, Volume 21, No. 2, June 1986.

"Issuing Costs to Existing Shareholders in Competitive and Negotiated Underwritten Public Utility Equity Offerings," **Journal of Financial Economics**, Volume 15, No. 1/2, January/February 1986, with P.A. Frost. Abstracted in **Journal of Economic Literature**, Volume 24, p 1625, 1986.

"The Rule 415 Experiment: Equity Markets," **Journal of Finance**, Volume 40, No. 5, December 1985, with M.W. Marr and G.R. Thompson. Abstracted in **Journal of Economic Literature**, Volume 24, p 1058, 1986.

"Incentive Effects of Stock Purchase Plans," **Journal of Financial Economics**, Volume 14, No. 2, June 1985, with J.A. Brickley and R.C. Lease. Abstracted in **Journal of Economic Literature**, Volume 23, p 2168, 1985. Reprinted in **The Economics of Accounting Policy Choice**, 1992, McGraw-Hill.

"The Impact of Long-Range Management Compensation Plans on Shareholder Wealth," **Journal of Accounting and Economics**, Volume 7, No. 1-3, April 1985, with J.A. Brickley and R.C. Lease. Reprinted in **The Economics of Executive Compensation**, 1999, Edward Elgar Publishing Limited, The International Library of Critical Writings in Economics, and **The Economics of Accounting Policy Choice**, 1992, McGraw-Hill.

"Cumulative Voting: The Value of Minority Shareholder Voting Rights," **Journal of Law and Economics**, Volume 27, No. 2, October 1984, with J.A. Brickley.

"The Evidence on Shelf Registrations," **Midland Corporate Finance Journal**, Volume 2, No. 1, Spring 1984.

"The Effect of Pre-Emptive Right Amendments on Shareholder Wealth," **Journal of Financial Economics**, Volume 12, No. 3, November 1983. Abstracted in **Journal of Economic Literature**, Volume 22, p 1494, 1984.

WORKING PAPERS

"Trading Volume and Price Variability: Evidence on Lead-Lag Relationships from Granger-Causality Tests" with S. Bhatia.

"Relational Investing and Corporate Performance," with B.S. Black and M. Blair (funded by the Brookings Institute and the Columbia University Law School).

"Technological Risk and Project Valuation."

"Regulation, R & D and the Rate Base," with S. Kandel.

"Non-Diversifiable Inflation Risk and Expected Treasury Bill Returns," with L.M. Wakeman. Abstracted in *Economic Literature Index*.

SERVICE TO THE PROFESSION

Referee for:

Journal of Finance,
Journal of Law, Economics, and Organization,
American Law & Economics Review,
Journal of Financial Economics,
Review of Financial Studies,
Journal of Business,
Journal of Political Economy,

American Economic Review,
Journal of Accounting and Economics,
International Economic Review,
Journal of Empirical Finance,
Review of Economics and Statistics,
Journal of Business and Economic Statistics,
Management Science,
Financial Management,
Financial Analysts Journal,
Economic Inquiry.

Associate Editor for:

Journal of Financial and Quantitative Analysis,
Journal of Corporate Finance,
Journal of Financial Research.

Participant at the American Finance Association Meetings, 1983 - 2004; and
Western Finance Association Meetings, 1983 - 2004.
Program committee member for the Western Finance Association, 1987 - 2005.

Reviewer for the following publishing companies:

MIT Press, Harper-Collins, Irwin, Macmillan, McGraw-Hill, Southwestern.

Quoted in:

Wall Street Journal
USA Today
New York Times
Los Angeles Times
Economist
CFO
BARRON'S
Chief Executive
Philadelphia Enquirer
Bloomberg Financial
CNN Business News
Denver Post
San Jose Mercury News
Fort Worth Star-Telegram
St. Paul Pioneer
Rocky Mountain News
Daily Camera

Gave invited talks at:

Northwestern University (October 2007)
Stanford University (June 2007)
UCLA (June 2007)

New York University (April 2007)
University of Chicago (October 2006)
Yale University (October 2006)
Cornell University (June 2006)
Dartmouth College (June 2006)
Investment Company Institute (March 2006)
Yale University (December 2004)
Stockholm School of Economics (June 2004)
Norwegian School of Management (June 2004)
London Business School (May 2004)
American Enterprise Institute (May 2004)
Harvard University (March 2004)
Yale University (December 2003)
Vanderbilt University (March 2003)
Financial Executive Institute (April 2002)
Yale University (October 2001)
US Department of Justice - Washington, DC (September 2000)
University of Kansas (September 1999)
University of British Columbia (April 1999)
University of Washington (April 1999)
Tulane University (January 1999)
University of Missouri – Columbia (January 1999)
U.S. Securities and Exchange Commission-Washington,DC (November 1998)
Northwestern University (June 1998)
Columbia University (May 1998)
U.S. Federal Trade Commission – Washington, DC (October 1997)
U.S. Department of Justice – Washington, DC (October 1997)
Q-Group (April 1997)
Columbia University Law School (March 1996)
Rice University (March 1996)
Vanderbilt University (December 1995)
University of Virginia (October 1995)
Federal Reserve Bank - Kansas City (May 1995)
Indiana University (April 1995)
Southern Methodist University (March 1995)
University of Utah (March 1995)
Arizona State University (December 1994)
University of Chicago (November 1993)
University of Rochester (November 1993)
Princeton University (October 1993)
U.S. Securities and Exchange Commission - Washington, DC (May 1993)
University of Arizona-Tucson (March 1993)
Southern Methodist University (November 1992)
Clemson University (November 1992)
University of Rochester (October 1992)
University of Texas-Austin (April 1992)

Princeton University (April 1992)
Federal Reserve Bank-New York (April 1992)
University of Pittsburgh (November 1991)
University of Colorado Law School (November 1991)
George Mason Law School (October 1991)
University of Illinois-Urbana (September 1991)
University of Washington (May 1991)
San Diego State University (February 1990)
Brookings Institution (December 1989)
Washington University-St. Louis (December 1989)
Indiana University (August 1989)
University of Maryland (February 1989)
University of Texas-Austin (February 1989)
University of Arizona-Tucson (February 1989)
University of California-Riverside (January 1989)
University of Southern California (October 1988)
Boston College (September 1988)
Ohio State University (April 1988)
University of Chicago (December 1987, May 1988)
Oklahoma State University (June 1987)
University of Alberta (September 1986)
Pennsylvania State University (January 1986)
Santa Clara University (February 1985)
Tulane University (January 1985)
University of Rochester (April 1983, April 1984)

SERVICE AT UNIVERSITY OF COLORADO

Department-level

- Division Executive Committee Member
- Division Doctoral Committee Member
- Division Faculty Recruiting Committee Member
- Chair, Shell Student Financial Analysis Competition Committee
- Chair, Division Newsletter Committee

College-level

- Founding Director - Burrige Center for Securities Analysis & Valuation.
- Dean Search Committee Member
- Chair, Dean's Faculty Policy Advisory Committee
- Chair, Undergraduate Curriculum and Policy Committee
- Chair, Promotion to Full-Professor Committee
- Faculty representative to Dean's Business Advisory Council
- College-wide Personnel Committee Member
- Program Review Committee Member
- College Objectives and Resources Committee Member

CU-Boulder

Member, Vice Chancellor's Budget Advisory Committee
Member, Standing Committee on Research Misconduct and Ethics
Chair, Faculty Compensation and Benefits Committee
University-wide
Chair, University Benefits Advisory Board (UBAB)

EXTRAMURAL RESEARCH GRANTS

Alfred P. Sloan Foundation
Institute for Quantitative Research in Finance (The Q Group)
Brookings Institute
American Enterprise Institute
Marketing Science Institute
AIMR (Association for Investment Management and Research)

TEACHING

Visiting Professor of Economics, Princeton University, 1993-1994. Doctoral seminar in finance.

Professor of Finance, University of Colorado at Boulder, 1989-Present. Teaching responsibilities:

Doctoral seminar in Empirical Research in Financial Economics.
MBA and undergraduate courses in Advanced Corporate Finance,
Undergraduate courses in
Investments,
Entrepreneurial Finance,
Investment Banking, and
Introductory Finance.

Supervised four doctoral dissertations.

Supervised over 400 term papers for MBA and undergraduate students.

Visiting Associate Professor of Finance, University of Chicago, 1987-1989.
Taught the MBA "case course" in corporate finance.

Associate Professor of Finance, University of Utah, 1982-1983, 1984-1987.
Taught doctoral seminars in investments, and empirical research in financial economics; and MBA and undergraduate courses in corporate finance and advanced corporate finance. Supervised a doctoral dissertation and two master's theses.

Visiting Assistant Professor of Economics and Finance, University of Washington, 1983-1984. Taught undergraduate courses in microeconomics, macroeconomics, advanced investments, and advanced corporate finance.

PERSONAL

U.S. Citizen.

Married, Two children.