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EDUCATION

- PhD, Economics, 1981, University of Minnesota
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EXPERIENCE

- 2002-Present, Professor of Finance, Leeds School of Business, University of Colorado, Boulder.
 - 1997-2002, Professor of Finance, Tippie College of Business, The University of Iowa, Iowa City.
 - 1988-1997, Associate Professor of Finance, Carlson School of Management, University of Minnesota, Minneapolis.
 - 1979-1988, Economist and Senior Economist, Federal Reserve Bank of Minneapolis.
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PUBLICATIONS

"How Students Can Backtest Madoff's Claims ", *Advances in Financial Education*, V.8(1), 2010.

"A Simple Parrondo Paradox ", *The Mathematical Scientist*, Vol.35(1), 2010.

"The Paradox of Diversification ", *Journal of Investing* , Vol.19(1), 2010

"On Growth-Optimality vs. Security Against Underperformance ", in MacLean, Thorp, and Ziemba, eds. The Kelly Capital Growth Investment Criterion: Theory and Practice, World Scientific, 2009 (forthcoming).

"Entropy-based Estimation Methods " (with Yuichi Kitamura), *Encyclopedia of Quantitative Finance*, John Wiley, 2009 (forthcoming).

"The Misuse of Expected Returns" (with Eric Hughson and Chris Yung), *Financial Analysts Journal*, Nov/Dec.2006. *Winner of Reader's Choice Award and a Graham and Dodd Scroll Award.*

"Asset Allocation Without Unobservable Parameters ", *Financial Analysts Journal*, 2004. Reprinted in Horan, ed.,Private Wealth: Advances in Wealth Management Practices, Research Foundation of the CFA Institute, 2008.

"Portfolio Choice with Endogenous Utility: A Large Deviations Approach", *Journal of Econometrics*, Vol.116, 2003, pp. 365-386. Reprinted in MacLean, Thorp, and Ziemba, eds. The Kelly Capital Growth Investment Criterion: Theory and Practice, World Scientific, 2009 (forthcoming).

"Fund Managers May Cause Their Benchmarks to be Priced 'Risks' ", *Journal of Investment Management*, 2003. Reprinted in Fong, ed.,The World of Risk Management, World Scientific Publishing, 2006.

"Optimal Asset Allocation For Endowments: A Large Deviations Approach", in Satchell & Scowcraft, eds., Advances in Portfolio Construction and Implementation, Butterworth-Heinemann, 2003.

"Connections Between Entropic and Linear Projections in Asset Pricing Estimation" (with Yuichi Kitamura), *Journal of Econometrics*, Vol.107, 2002, pp.159-174.

"Improving Your Morningstar Ratings Using Options: A Comment", *Journal of Investing*, Winter 2001.

"Simple Entropic Derivation of a Generalized Black-Scholes Model", *Entropy*, 2000.

"A Portfolio Performance Index", *Financial Analysts Journal*, Vol. 56, 2000 (May-June). Reprinted in Jankowski and Lawton, eds., Investment Performance Measurement: Evaluating and Presenting Results, CFA Institute, 2009.

"A Simple Nonparametric Approach to Bond Futures Option Pricing" (with Muinul Chowdhury), *Journal of Fixed Income*, March 1999.

"An Information-Theoretic Alternative to Generalized Method of Moments Estimation," (with Yuichi Kitamura), *Econometrica*, v.65, July 1997.

"A Simple Nonparametric Approach to Derivative Security Valuation," *Journal of Finance*, Vol. 51, Dec., 1996.

"A Graphical Exposition of Put Thetas," (with Gordon Alexander), *Journal of Futures Markets*, Vol. 16, 1996.

"An Information Theoretic Index of Risk in Financial Markets," Chapter 16 in D. Berry, K. Chaloner, and J. Geweke, editors, Bayesian Analysis in Statistics and Economics: Essays in Honor of Arnold Zellner, Wiley Interscience, 1996.

"A Bayesian Approach to Diagnosis of Asset Pricing Models," *Journal of Econometrics*, Vol. 68, August, 1995.

"A Theory of Mutual Formation and Moral Hazard: With Evidence from the History of the Insurance Industry", (with Bruce Smith), *Review of Financial Studies*, Vol. 8, no. 2, 1995.

"The Simple Analytics of Observed Discrimination in Credit Markets", (with Paul Calem), *Journal of Financial Intermediation*, Vol. 4, no. 3, 1995.

"Thermostatistics in Financial Economics," In G. Heidbreder, editor Proceedings of the 13th International Workshop on Maximum Entropy and Bayesian Methods of Statistical Analysis, Kluwer Academic, 1994.

"The Statistical Mechanics of Asset Prices," In K.D. Elworthy, W.N. Everitt and E.B. Lee, editors, Differential Equations, Dynamical Systems, and Control Theory, Pure and Applied Mathematics Series, V.152 Marcel Dekker, 1993.

"Adverse Selection, Aggregate Uncertainty, and the Role for Mutual Insurance Contracts" (with Bruce Smith), *Journal of Business*, Vol. 63, no. 4, 1990.

"Adverse Selection and Mutuality: The Case of the Farm Credit System," (with Bruce Smith), *Journal of Financial Intermediation*, Vol. 1, 1990

"Credit Rationing and Government Loan Programs: A Welfare Analysis," (with Bruce Smith), *Journal of the American Real Estate and Urban Economic Association*, Summer, 1989.

"Variable Rate Loans and Financed Activities: The Case of Adjustable Rate Mortgages" (with Will Roberds), *Journal of Urban Economics*, Vol. 24, no. 2, 1988.

"Comparative Statics of Integrable Nash Equilibria," *Economics Letters*, Vol. 23, 1987.

"Improving Intergovernmental Finance: A Message From the Northland," *Quarterly Review*, Federal Reserve Bank of Minneapolis, Spring, 1987.

"The Statewide Economic Impact of Small-Issue Industrial Revenue Bonds," *Quarterly Review*, Federal Reserve Bank of Minneapolis, Spring, 1985.

"Probable Future Competition in Banking Antitrust Determination: Research Findings," *Quarterly Review*, Federal Reserve Bank of Minneapolis, Summer, 1984.

"Nonlinear Subsidies: The Inefficiency of In-Kind Transfers Revisited," *Public Finance Quarterly*, January, 1984.

"Another Note on Deadweight Loss," *Journal of Public Economics*, Vol. 18, no. 2, July 1982.

"The Construction of Revenue Sharing Formulae," *Southern Economic Journal*, April 1982.

"Chaotic Dynamics and Bifurcation in a Macro Model," *Journal of Economic Dynamics and Control*, Vol. 2, no. 4, November, 1980.

RECENT PRESENTATIONS

- Conference on Consumer Financial Decision Making, *University of Colorado, June 2011*; Info-Metrics Conference, *American University, Washington, DC., Sept. 2010*; SP XII Conference, *Dalhousie University, Halifax Aug. 2010*; Information Econometrics Conference, *American Univ., Nov. 2009* ; *Qwafafew*,

Denver, Oct. 2009 ; Western Finance Association, *Honolulu*, June 2008 ; Quantitative Finance Workshop, *Univ. of Bologna*, Rimini, May 2008 ; Swiss Society for Financial Market Research, *Swiss Stock Exchange*, Zurich, April 2008 ; Conference on Professional Asset Management, *Rotterdam School of Management*, Netherlands, March 2008 ; Lipper, Inc. Client Advisory Council, *Vail*, March 2008; SPXI Conference, *University of Vienna*, August 2007; 21st European Conference of Operations Research, *Reykjavik, Iceland*, July 2006; Information and Entropy Econometrics Conference, *Washington, D.C.*, Sept. 2005; Annual Finance and Accounting Conference, *Tel-Aviv*, Dec. 2004; Hedge Fund Conference, *Toronto*, Nov. 2004; *University of Waterloo*, Canada, Nov. 2004; Bachelier Finance Conference, *Chicago*, July 2004; Model Specification Conference , *University of Minnesota*, June 2004; *University of Houston* , April 2004; *University of Iowa* , April 2004; Information Econometrics Conference , *Washington, DC*, Sept 2003; Morningstar National Research Conference, *Chicago*, June 2003; Denver Society of Security Analysts, *Denver*, April 2003; Denver Investment Advisors, *Denver*, April 2003; Lipper, Inc, Dec.2003; *University of Toronto*, Nov. 2002; IFID Conferences, *Toronto*, Nov 2002; CIRANO External Events Conference, *Montreal*, Oct. 2002; Ecole Polytechnique, *Paris*, Mar. 2002; Frontiers-In-Finance, *Paris*, Mar. 2002; University of Colorado, *Boulder*, Mar. 2002; University of Minnesota, *Minneapolis*, Dec. 2001; AMA-SMF Math Finance Conference, *Lyon, France*, July 2001; Annual Finance Workshop, AGSM Sydney, AU., June 2001; *University of Illinois -Chicago*, April 2001; Conference on Nonlinear Dynamics and Econometrics, *FRB Atlanta*, March 2001; Morningstar, Inc., March 2001; *Georgia State University*, March 2001; Conference on Risk Neutral and Objective Probability Distributions, Fuqua School of Business, *Duke University*, Oct. 2000; *New York Univ.*, Oct. 2000; *Univ. of Alberta*, Sept.2000; *Chicago Loyola University*, Sept. 2000; Bachelier Finance Conference, *Universite de Paris*, June 2000; Invited Visitor Lectures, Eurandom Institute, *Eindhoven, Netherlands*, June 2000; *Tulane University*, Feb. 2000; Quantitative Research Dept., Goldman, Sachs, *New York*, Nov. 1999.

AWARDS

- Reader's Choice Award + Graham and Dodd Scroll Award, Financial Analysts Journal, 2006
- Teaching Innovation Grant, Leeds School, 2010

- Research Grants, Chicago Board of Trade, 1999 and 1996
 - 2nd place, Donald P. Jacobs Prize Competition, Journal of Financial Intermediation, 1996.
 - SSRN Top 10 downloads/recent hits: (1) "A Portfolio Performance Index and Its Implications", 1998. At one time this was used for the Morningstar, Inc. International Global Star Ratings of mutual funds.
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PEDAGOGY

- Rated 5th best MBA Teacher at the Carlson School of Management, University of Minnesota, by Business Week Ratings of the Best Business Schools, 1995.
 - Published "A Simple Derivation of the Bond Immunization Formula", Financial Practice and Education, 2000.
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SERVICE

- Editorial Board: Journal of Futures Markets
- Section Co-Editor: Encyclopedia of Quantitative Finance
- Associate Editor: Entropy
- Research Associate: Info-Metrics Institute
- Program Committee: Western Finance Association
- Program Committee: Financial Management Association
- Judge: Financial Planning Association Faculty Research Awards
- Member: University of Colorado Vice Chancellor's Advisory Committee for Promotion and Tenure Cases
- Member: Leeds School Dean Search Committee
- Chair: Leeds School Research Committee
- Chaired/Served on Hordes of Leeds PUECs (a.k.a. Busted My Ass Repeatedly)
- Member: Special Leeds School Promotion and Tenure Standards Communications Committee
- Member: Finance Division Executive Committee (I Was Elected Against My Will)
- Faculty Advisor: MBA Finance Student Assn.
- Member: CU Actuarial Studies Program Board/Quantitative Finance Certificate Program
- Referee: Journal of Finance, Review of Financial Studies, American Economic Review, Journal of Business, Journal of Political Economy, Journal of Econometrics, Management

Science, Quantitative Finance, Journal of International Money and Finance, Journal of Derivatives, Journal of Futures Markets, Journal of Empirical Finance, Finance Research Letters, Economics Letters, Financial Analysts Journal, Journal of Investing.

- Member: Investment Advisory Board, Minnesota State Board of Investment

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