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Education

- Ph.D. University of Pennsylvania, Insurance and Finance, 1994
M.A. University of Pennsylvania, Insurance and Finance, 1992
B.A. Brigham Young University, Economics, 1989
Minors in Statistics and Japanese

Academic Experience

- 2007 – Present Professor, Brigham Young University, Provo, UT
2019 – 2022 Chair, Department of Finance, BYU Marriott School
2007 – 2013 Director, Brigham Young University, Marriott MBA program
2000 – 2007 Associate Professor, Brigham Young University, Provo, UT
1993 – 2000 Assistant Professor, Brigham Young University, Provo, UT
1997 Visiting Professor, Georgia State University, Atlanta, GA
1991 – 1993 Research Assistant, University of Pennsylvania, Philadelphia, PA
1988 – 1989 Instructor, Brigham Young University, Provo, UT

Honors and Awards

- Professorship, Second Mile Professor of Finance, 2014 – present
Marriott School Citizenship Award – 2014
Fellow, Wharton Financial Institutions Center, 2006 – present
Marriott School Teaching Excellence Award – 2008
Grant Taggart Fellow of Insurance, Risk Management and Financial Services, Brigham Young University, 1993 – 2008
Best Paper of 2002, *North American Actuarial Journal*
BYU Finance Society's Outstanding Professor Award for 2000 – 2001
Graham and Dodd Award of Excellence, presented by the Association for Investment Management and Research in recognition of an outstanding feature article in the *Financial Analysts Journal*, 1998
LECG Research Fellow, LECG, Inc. New York, NY, 1998
Kemper Foundation Grant, Brigham Young University, 1997
Huebner Foundation Fellowship, University of Pennsylvania, 1989 – 1993
Rodney L. White Center Grant For Financial Research, 1991 – 1992

Publications in Peer Review Journals

Insurers and Banks Market Connectedness: An example of Generalized Event Study Estimates from Random Forest Residual Regressions, with Richard Butler and Gene Lai, *Geneva Papers on Risk and Insurance*, Volume 49, Issue 4, October 2024.

Were there Fire Sales in the RMBS Market?, with Taylor D. Nadauld, Rene M. Stulz, and Shane Sherlund, *Journal of Monetary Economics*, 2021, vol. 122, issue C, 17-37.

Final Demand for Structured Finance Securities, with Taylor D. Nadauld and Philip E. Strahan, *Management Science*, 2017.

Insurance Theory and Challenges Facing the Development of Microinsurance Markets, with James C. Brau and Kim Staking, *Journal of Developmental Entrepreneurship*, Vol 6(4), pp 411-440 (2011).

The Relationship Between Corporate Social Responsibility and Shareholder Value: An Empirical Test of the Risk Management Hypothesis, with Paul Godfrey and Jared Hansen, *Strategic Management Journal*, 30:425-445 (2009).

The U.S. Treasury Buyback Auctions: The Cost of Retiring Illiquid Bonds, with Bing Han and Francis Longstaff, *Journal of Finance*, Dec. 2007.

Risky Loss Distributions and Modelling the Loss Reserve Pay-out Tail, with J. David Cummins and James B. McDonald, *Review of Applied Economics*, Vol. 3, No. 1, 2007.

Real and Illusory Value Creation by Insurance Companies, with David F. Babbel, *Journal of Risk and Insurance*, March 2005. Lead article.

The Effect of Transaction Size on Off-the-Run Treasury Prices, with David Babbel, Mark Meyer, and Meiring de Villiers, *Journal of Financial and Quantitative Analysis*, September 2004.

Fair Value of Liabilities: The Financial Economics Perspective, with David Babbel and Jeremy Gold, *North American Actuarial Journal*, January 2002. Lead Article, Awarded best paper of 2002.

This article was also published as Chapter 1 in *Asset and Liability Management Tools: A Handbook for Best Practice*, edited by Bernd Sherer, Risk Books, London, 2003.

A Note on the Solution to a Three-Factor Affine Term Structure Model, with Kabir Dutta, *Journal of Fixed Income*, December, 1999.

Economic Valuation Models for Insurers, with David F. Babbel, *North American Actuarial Journal*, July 1998. Lead Article.

Discussion of "Two Paradigms for the Market Value of Liabilities." *North American Actuarial Journal*, October 1997.

A Response to "Time Diversification and Option Pricing Theory: Another Perspective," with Steven Thorley, *Journal of Portfolio Management*, Summer 1997.

Default Risk and the Effective Duration of Bonds, with David F. Babbel and William Panning. *Financial Analysts Journal*, January / February 1997. Received a Graham and Dodd Award of Excellence.

This article was translated and published in the *Security Analysts Journal of Japan*, October 1998, Vol. 36, No 10.

Interest-Rate Option Pricing Revisited, with David Babbel. *Journal of Futures Markets*, December 1996, Vol. 16, No. 8.

Teaching Interest Rate Contingent Claims Pricing, with David F. Babbel. A new pedagogical approach to teaching interest rate contingent claims pricing. *Journal of Financial Education*, Fall 1996. Lead article in peer review section of this journal.

Time Diversification: Perspectives from Option Pricing, with Steven Thorley. Using option pricing methodology to evaluate risk in equity investments for different investment horizons. *Financial Analysts Journal*, May/June 1996. Lead article.

Working Papers

Shareholders are Stakeholders, too, with Paul Godfrey and David Hart

Other Publications

(The following are not blind review publications. Any review is noted.)

Investing Your Lump Sum at Retirement, written with David F. Babbel, Wharton Financial Institutions Center, Policy Series, 2007.

Fair Value of Liabilities: The Financial Economics Perspective, written with David F. Babbel and Jeremy Gold, first chapter in *Asset and Liability Management Tools: A Handbook for Best Practice*, Risk Books, London, 2003.

The Bullet GIC as an Example, written with David Babbel and Jeremy Gold, *Risks and Rewards*, February, 2001.

Default Risk and Effective Duration, presented at the AIMR seminar, Frontiers in Credit-Risk Analysis: A Fixed-Income Conference, and published in a proceedings book, 2000.

The Ultimate Black Box, written with David Babbel and Algis Remeza, presented at a New York University, Salomon Center conference and printed as a chapter in *Fair Value of Insurance Business*, 2000.

Toward a Unified Valuation Model for Life Insurers, written with David Babbel and published in *Changes in the Life Insurance Industry: Efficiency, Technology and Risk Management*, Kluwer, Norwell, MA, 1999.

Valuing Interest-Sensitive Financial Instruments, a technical monograph written with David F. Babbel, Frank Fabozzi Publishers, 1996. (Reviewed by a panel of investments experts.) This monograph has been designated as required reading for the Associate of the Society of Actuaries designation exams.

Duration of Risky Bonds, with David Babbel and William Panning, presented at New York University, Salomon Center, and published as a chapter in *Financial Dynamics of the Insurance Industry*, Irwin, 1995. (Blind Conference Review)

A slightly modified version of this paper was published as a working paper in the *Financial Sector Analysis Series*, World Bank, September, 1995.

Generating Stochastic Interest Rate Scenarios, invited presentation published in paper form in *The Record of the Society of Actuaries*, Vol. 21 No. 4, 1996.

Option Pricing Mathematics, invited presentation published in paper form in *The Record of the Society of Actuaries*, Vol. 21 No. 1, 1996.

Presentations and Seminars

Systemic Network Risk in a Generalized Event Study Model, Risk Theory Seminar, April 2019.

Why did financial institutions sell RMBS at fire sale prices during the financial crisis?, NBER and NYU, 2013. Also AFA, 2014.

The Annuity Puzzle, Default Risk, and Social Security, BYU-Park City Conference, 2012.

Optimal Decumulation: An Investment-Consumption Model for Retirees, with David Babbel and Jeffrey Humpherys, SIAM, 2012.

Insurance Theory and Challenges Facing the Development of Microinsurance Markets, with James Brau and Kim Staking, Microinsurance conference, Senegal, 2009.

Enterprise Risk Management, National Association of Corporate Directors Summit Conference, Deer Valley, Utah, 2009.

Financial Engineering and Insurance Product Design, Society of Actuaries national meeting, Denver, Colorado, 2009.

Life Insurance and Annuity Pricing: How Much Can Insurers Rely on Credit and Liquidity Risk Premiums?, Society of Actuaries national meeting, Denver, Colorado, 2009.

Asset/Liability Management for Insurers, KPMG/Wharton Executive Education seminar, Wharton School, Philadelphia, 2002-2008.

Quantitative Tools for Asset/Liability Management, Financial Risk Management Workshop, Milan, Italy, 2006.

Advanced Asset/Liability Management for Life Insurers, Society of Actuaries and Wharton School, Philadelphia, 2001.

Fair Value of Liabilities, Bowles Symposium, Georgia State University, Atlanta, 2001.

New Thinking at the Business Schools: Financial Valuation of Insurance Liabilities, presented at the investment actuaries symposium, 2000.

A 3+N-Factor Model of the Term Structure of Interest, with Closed-Form Solutions, with D. Babbel and A. Remeza, presented at the American Risk and Insurance Association annual meeting, 2000.

Financial Modeling Integration, panel presentation at the Society of Actuaries Annual Meeting in San Diego, 2000.

The Ultimate Black Box, written with David Babbel and Algis Remeza, presented at the New York University, Salomon Center conference in Fair Value of Insurance Business, 1999.

Economic Valuation of Insurance Liabilities, presented in a plenary session of the American Risk and Insurance Association annual meetings, Vancouver, BC, 1999.

Default Risk and Effective Duration, presented at Frontiers in Credit-Risk analysis: A Fixed-Income Conference and sponsored by the AIMR in Chicago, 1999.

Toward a Unified Valuation Model for Life Insurers, written with David Babbel and presented at the New York University, Salomon Center conference Changes in the Life Insurance Industry: Efficiency, Technology and Risk Management, 1998.

Financial Valuation of Insurance Liabilities, presented to the Academy of Actuaries task force on fair valuation of liabilities, New York, 1998.

Financial Risk Management, presented at the American Risk and Insurance Association meetings in San Diego, 1997. Plenary session.

Products Liability Loss Distributions and Liability Insurance Pricing, presented at University of Minnesota, faculty seminar, 1996.

Mathematics of Option Pricing, presented at the Society of Actuaries meetings in Orlando, 1996. This was a day-long extension to the presentation in Boston, 1995.

Generating Stochastic Interest Rate Scenarios, member of panel at the Society of Actuaries meetings in Boston, 1995.

Option Pricing Mathematics, presented at the Society of Actuaries meetings in New Orleans, 1995.

Duration of Risky Bonds, with David Babbel and William Panning, presented at New York University, Salomon Center, Financial Dynamics of the Insurance Industry, 1995.

Optimal Social Security Pension Benefits With Heterogeneous Incomes, with Paul D. Thistle, presented at the Southern Economic Association meeting, Orlando FL., 1994.

Heterogeneous Incomes and the Design of Social Security Programs, with Paul D. Thistle, presented at the American Risk and Insurance Association meetings, Washington D.C., 1992 and at a Georgia State University Faculty Seminar, 1994.

Moonlighting and Deductibles: A Market-based Solution to the Problem of Insurance Contract Purchase Non-Observability, presented at the American Risk and Insurance Association meetings, Washington D.C., 1992 and at a Brigham Young University, Faculty Seminar, 1993.

Areas of Interest

Research

Fixed income securities and derivatives

Asset-liability management

Applications of financial pricing to insurance liabilities

Teaching

Financial risk management and derivatives

Fixed income analysis