

J.B. HEATON

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EDUCATION

University of Chicago Graduate (now Booth) School of Business, 1992-1999.
Ph.D. (finance), 1999; M.B.A., 1999.

University of Chicago Law School, 1996-1999.
J.D., 1999.

University of Illinois Urbana-Champaign
A.B., 1990. Phi Beta Kappa. *Magna Cum Laude*.

PROFESSIONAL EXPERIENCE

November 2017 - Present J.B. Heaton, P.C.
President (2017-present).

September 1999 – October 2017 Bartlit Beck LLP
Partner (2004-2017).

BAR ADMISSIONS

Illinois (Active, admitted in 1999)
New York (Active, admitted 2012)

SCHOLARLY LEGAL PUBLICATIONS

“[The Siren Song of Litigation Funding](#),” *Michigan Business & Entrepreneurial Law Review*
(forthcoming).

“[Kill Cammer: Securities Litigation Without Junk Science](#),” *William & Mary Business Law Review*
(forthcoming).

“[The Unfulfilled Promise of Hedge Fund Activism](#),” *Virginia Law & Business Review*
(forthcoming).

“[The Social Costs of Dividends and Share Repurchases](#),” *Journal of Business, Entrepreneurship & the Law* (forthcoming).

[“Corporate Governance and the Cult of Agency,”](#) *Villanova Law Review*, Vol. 64(2), 201-221 (2019).

[“Simple Insolvency Detection for Publicly-Traded Firms,”](#) *Business Lawyer*, Vol 74(3), 723-734 (2019). (peer-reviewed)

[“Debt and Insolvency,”](#) *Review of Banking and Financial Law* Vol. 38, 363-388 (2019).

[“Bias-Corrected Estimation of Price Impact in Securities Litigation”](#) (with Taylor Dove and Davidson Heath), 21 *American Law and Economics Review*, Vol. 21(1), 184-208 (2019). (peer-reviewed)

[“Too Much Insolvency: ‘Unmatured Interest’ and ‘Debt’ Under the Code,”](#) *American Bankruptcy Institute Law Review*, Vol 27, 45-49 (2018). (peer-reviewed)

[“Failed Anti-Activist Legislation: The Curious Case of the Brokaw Act”](#) (with Alon Brav and Jonathan Zandberg), 11 *Journal of Business, Entrepreneurship & the Law* 329-352 (2018).

[“Risk Aversion as Risk-Neutral Pessimism: A Simple Proof,”](#) *International Review of Law & Economics*, Vol. 56, 70-72 (2018). (peer-reviewed)

[“What Injures a Corporation? Toward Better Understanding Corporate Personality,”](#) *Business Lawyer* Vol. 73(4), 1031-1050 (2018). (peer-reviewed)

[“Positive Equity Prices with Insolvency Under Legal Solvency Tests,”](#) 23 *Journal of Forensic Economics*, Vol 23, 63-70 (2018). (peer-reviewed)

[“The ‘Long Term’ in Corporate Law,”](#) *Business Lawyer*, Vol. 72 (2), 353-366 (2017). (peer-reviewed)

[“Event Studies in Securities Litigation: Low Power, Confounding Effects, and Bias,”](#) 93 *Washington University Law Review* pp. 583-614 (2015) (with Alon Brav).

[“Solvency Tests,”](#) *Business Lawyer*, Vol. 62, No. 3, 983-1006 (2007). (peer-reviewed)

[“Settlement Pressure,”](#) *International Review of Law and Economics*, Vol. 25, pp. 264-275 (2005). (peer-reviewed)

[“Deepening Insolvency,”](#) *The Journal of Corporation Law*, Vol. 30, No. 3, pp. 465-500 (2005).

[“Market Indeterminacy,”](#) *The Journal of Corporation Law*, Vol. 28, No. 4, pp. 517-539 (2003) (with Alon Brav, Duke University).

[“Incomplete Financial Contracts and Non-Contractual Legal Rules: The Case of Debt Capacity and Fraudulent Conveyance Law,”](#) *Journal of Financial Intermediation*, Vol. 9, pp. 169-183 (2000). (peer-reviewed)

SCHOLARLY FINANCE PUBLICATIONS

“[Hedge Fund Activism and Financial Performance](#),” forthcoming in *The Oxford Handbook of Hedge Funds* (Douglas Cumming and Geoffrey Wood, eds.)

“[Managerial Optimism: New Observations on the Unifying Theory](#),” *European Financial Management* (forthcoming). (peer-reviewed)

“[How Active Management Survives](#)” (with Ginger L. Pennington), *Financial Planning Review* (2019). (peer-reviewed)

“[Worthless Companies](#),” 24 *European Financial Management*, 721-727 (2018). (peer-reviewed)

“[Quantitative Investing and the Limits of \(Deep\) Learning from Financial Data](#),” 47 *Journal of Financial Transformation*, 117-122 (2018).

“[Why Indexing Works](#),” *Applied Stochastic Models in Business and Industry*, 2017, 33(6) (with Nick Polson and Jan Hendrik Witte). (peer-reviewed)

“[Rejoinder to ‘Deep learning for finance: deep portfolios’](#)” *Applied Stochastic Models in Business and Industry* 33 (1), 2017, 19-21 (with Nick Polson and Jan Hendrik Witte). (peer-reviewed)

“[Deep learning for finance: deep portfolios](#),” *Applied Stochastic Models in Business and Industry* 33 (1), 2017, 3-12 (with Nick Polson and Jan Hendrik Witte). (peer-reviewed)

“[Overconfidence, Compensation Contracts, and Capital Budgeting](#),” *Journal of Finance*, Vol. 66, No. 5, pp. 1725-77 (2011) (with Simon Gervais and Terry Odean). (peer-reviewed)

“[The Limits of the Limits of Arbitrage](#),” *Review of Finance*, 14(1):157-187 (2010) (with Alon Brav and Si Li), runner-up for the 2010 Deutsche Bank Prize in Financial Economics for Best Paper in the Review of Finance. (peer-reviewed)

“[The Rational-Behavioral Debate in Financial Economics](#),” *Journal of Economic Methodology*, 11(4) 2004 (Lead Article) (with Alon Brav and Alexander Rosenberg). (peer-reviewed)

“[Managerial Optimism and Corporate Finance](#),” *Financial Management*, Vol. 31, pp. 33-45 (Summer 2002). (peer-reviewed)

“[Competing Theories of Financial Anomalies](#),” *The Review of Financial Studies*, Vol. 15, No. 2, pp. 475-506 (2002) (with Alon Brav, Duke University). Winner, Barclays Global Investors (BGI) Michael Brennan Award for the best paper published in The Review of Financial Studies. (peer-reviewed)

OTHER PUBLICATIONS

“Securities Litigation Should Not Be Based on Junk Science,” *Law360.com*, July 23, 2019.

“Insolvency Detection Using Publicly-Traded Debt and Equity,” 32 AIRA (Association of Insolvency and Restructuring Advisors) (2019).

“[Just This Once: A More Plausible Model of Addiction and Its Policy Implications](#),” 87 *UMKC Law Review* (2019), 817-826.

“[Sex, Drugs, and Rock ‘N’ Roll: Some Observations of Life on a Trial Team](#),” 64 *South Dakota Law Review* (2019), 175-182 (Lead Article).

“Jury Trials are in Decline for Good Reasons,” *Law360.com*, April 18, 2019.

“Judge Shines Needed Light on Expert Qualifications,” *Law360.com*, March 26, 2019.

“Hedge Fund Activism Delivers Unimpressive Impact,” *Law360.com*, March 6, 2019.

“The Problem With ‘Optimal’ Diversity,” *Law360.com*, February 19, 2019.

“Sanders and Schumer (Mostly) Right on Share Repurchases,” *Law360.com*, February 8, 2019.

“Law Schools Should Be More Like Medical Centers,” *Law360.com*, January 24, 2019.

“Market Evidence Will Likely Be Key in Sears Bankruptcy,” *Law360.com*, October 15, 2018.

“One Pill Makes You Larger: Flaws in Sisk’s Westlaw Methodology Illustrated with Leiter’s Citations,” 2018 *Wisconsin Law Review Forward*, 27-33 (2018).

“Akorn Could Alter ‘Material Adverse Effect’ Law in Delaware,” *Law360.com*, October 4, 2018.

“The Challenges of Valuing Litigation-Driven Equities,” *Law360.com*, August 30, 2018 (with Alexander Burger).

“Judges Shouldn’t Force Attorneys on Absent Class Members,” *Law360.com*, August 3, 2018.

“It’s Not All About the Benjamins, Baby (Lawyer),” *Law360.com*, July 13, 2018.

“Analyzing the Economics of Litigation Funding,” *Law360.com*, May 29, 2018.

“Alternative Fees: My Experience at Bartlit Beck,” *Law360.com*, December 15, 2017.

“Why Stock Prices of Insolvent Firms Can Still Be Positive,” *Law360.com*, December 5, 2017.

“The Psychology of Hourly Fee Arrangements,” *Law360.com*, August 31, 2017.

“Petrobras Strikes Heavy Blow Against Use of Event Studies,” *Law360.com*, July 11, 2017.

“Returns, Risk, and Financial Due Diligence,” Chapter 5 in *Finance Ethics: Critical Issues in Theory and Practice*, J. Boatright, ed. (Robert W. Kolb Series) (with Christopher L. Culp).

“CSX Corporation v. The Children's Investment Fund: Total Return Swaps as Evasions of Section 13(d) Reporting,” *Securities Litigation Journal*, pp. 16-18 (Summer 2009).

“The Economics of Naked Short Selling,” *Regulation*, Vol. 31, No. 1, 46-51 (2008) (with Christopher L. Culp).

“The Uses and Abuses of Finite Risk Reinsurance,” *Journal of Applied Corporate Finance*, Vol. 17, No. 3, pp. 18-31 (2005) (with Christopher L. Culp).

PROFESSIONAL AFFILIATIONS

American Bar Association
American Economic Association
American Finance Association
American Law & Economics Association
American Statistical Association

TEACHING EXPERIENCE (ADJUNCT/LECTURER)

University of Chicago Booth School of Business, Lecturer, 2000-2001, 2005.
Duke University Fuqua School of Business, Adjunct, 2001-2003 (Winner, Excellence in Teaching Award in the Weekend Executive M.B.A. Program).
Northwestern University Pritzker School of Law, Lecturer, 2008.
University of Chicago Law School, Lecturer, 2008-2010; Business Law Fellow, Fall 2018.
Duke University School of Law, Lecturer, 2016.