

Michael Klausner

Nancy and Charles Munger Professor of Business
Professor of Law
Stanford Law School
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PROFESSIONAL EXPERIENCE

Nancy and Charles Munger Professor of Business and Professor of Law, Stanford Law School (since 1997). Associate Dean for Research and Academics, 2004-05.

Visiting Professor of Law, New York University School of Law (Spring 2015, 2016, 2017, 2018, 2019)

Caryl Louise Boies Visiting Professor of Law, New York University School of Law (Spring 2014)

Professor of Law, New York University School of Law (on NYU faculty 1991-97).

Visiting Professor, Stanford Law School, 1995-96.

White House Fellow and Deputy Associate Director, Office of Policy Development in the White House (1989-1990).

Associate, Paul, Weiss, Rifkind, Wharton & Garrison, Washington (1982-83); Gibson, Dunn & Crutcher, Washington D.C. and Hong Kong offices (1986-1989).

Visiting Scholar and Lecturer, Peking University, Department of Law (1984-85).

Law Clerk, Justice William Brennan, United States Supreme Court (1983-84); Judge David Bazelon, United States Court of Appeals for the District of Columbia Circuit (1981-82).

LAW SCHOOL COURSES TAUGHT

Corporations
Deals: The Economic Structure of Business Transactions
Corporate Governance Seminar
The Economics of Contracts

OTHER PROFESSIONAL ACTIVITIES

Consultant and expert witness in cases involving corporate governance, mergers and acquisitions, transaction structure, and corporate structure
Faculty member and former co-director, Directors' Consortium (director training program run by Stanford Graduate School of Business, previously with Stanford Law School, the University of

Chicago Booth School of Business, Tuck Business School, and the Wharton School) (2002-present)

OTHER PROFESSIONAL ACTIVITIES (CONT'D)

Co-director and faculty member, Stanford Directors' Forum (director training program run by Stanford Law School and Stanford Graduate School of Business, 2006-08)
Advisory Board, Stanford Technology Ventures Program, School of Engineering (2002- 2015)
Associate Editor, Stanford Social Innovation Review (2003-2009)
Advisor, American Law Institute, Principles of the Law of Nonprofits
Director, Resource Area for Teachers (RAFT), San Jose, CA (2002-04)
Advisory Board, National Center for Philanthropy and the Law (on board 2001-03)
Director, Business Evolution, Inc. (1999)

EXECUTIVE EDUCATION COURSES TAUGHT

Corporate Governance
Directors' Duties and Liability Risk
Board Structure and Processes
The Board's Role in a Merger Transaction

EDUCATION

Yale University
- J.D. and M.A. in Economics (jointly 1981).

University of Pennsylvania
- B.A. Political Science (Summa Cum Laude 1976).

Language: Mandarin Chinese (conversational).

PUBLICATIONS

DEALS: THE ECONOMIC STRUCTURE OF BUSINESS TRANSACTIONS (Harvard University Press, 2024)

Was the SPAC Crash Predictable?, Yale Journal on Regulation Bulletin, February 14, 2023 (with Michael Ohlrogge)

Net Cash Per Share: The Key to Disclosing SPAC Dilution, Yale Journal on Regulation Bulletin June 3, 2022 (with Michael Ohlrogge and Harald Halbhuber)

A Sober Look at SPACs, 39 Yale Journal on Regulation 228 (2022) (with Michael Ohlrogge and Emily Ruan) (recognized by Corporate Practice Commentator as one of the 10 best articles of 2022 on corporate law).

The SPAC Bubble May Burst—and Not a Day Too Soon (with Emily Ruan), Wall Street Journal

January 6, 2021

State Section 11 Litigation in the Post-Cyan Environment (Despite Sciabacucci) (with Jason Hegland, Carin LeVine and Jessica Shin) 75 *The Business Lawyer* 1769 (2020)

Corporate and Individual Liability in SEC Enforcement Actions, in *Research Handbook on Corporate Crime and Financial Midealing* (J. Arlen editor, 2018)

The ‘Corporate Contract’ Today, in the *Oxford Handbook of Corporate Law and Governance*, Oxford University Press (2018)

Empirical Studies of Corporate Law and Governance: Some Steps Forward and Some Steps Not, in the *Oxford Handbook of Corporate Law and Governance*, Oxford University Press (2018)

Digging Deep Into The Last Decade's Securities Class Actions, *Law360* (June 28, 2016), <https://www.law360.com/articles/811432/digging-deep-into-the-last-decade-s-securities-class-actions>

Governance Mechanisms in Long-Term Contracts, in *Contract Governance: Dimensions In Law and Interdisciplinary Research*, Stefan Grundmann, Florian Möslein and Karl Riesenhuber, editors, Oxford University Press (2015).

Fact and Fiction in Corporate Law and Governance, 65 *Stan. L. Rev.* 1325 (2013)

Liquidation Rights and Incentive Misalignment in Start-up Financing, 98 *Cornell L. Rev.* 1399 (2013) (with Stephen Venuto)

When Are Securities Class Actions Dismissed, When Do They Settle, and For How Much?—An Update, Vol. 26, No. 4 *PLUS Journal*, March 2013 (with Jason Hegland and Matthew Goforth)

How Protective Is D&O Insurance In Securities Class Actions?—An Update, Vol. 26, No. 5, *PLUS Journal*, May 2013 (with Jason Hegland and Matthew Goforth)

Shareholder Suits against Korean Directors, in **Korean Business Law**, Hwa-Jin Kim, editor, Cheltenham, UK: Edward Elgar, 2012 (with Bernard S. Black, Brian R. Cheffins)

Shareholder Suits and Outside Director Liability: The Case of Korea, 10 *Journal of Korean Law* 325 (2011) (with Bernard S. Black, Brian R. Cheffins).

That’s My Money You’re Using, *Forbes*, March 29, 2010, p. 28 (with Ronald Gilson).

When Are Securities Class Actions Dismissed, When Do They Settle, and For How Much?, Vol. 23, No. 3 *PLUS Journal*, March 2010 (with Jason Hegland)

How Protective Is D&O Insurance In Securities Class Actions?, Vol. 23, No. 2, *PLUS Journal*, February 2010 (with Jason Hegland)

Personal Liability of Officers in U.S. Securities Class Actions, 9 J. Corp L. Studies 349 (2009)

Are Securities Class Actions ‘Supplemental’ to SEC Enforcement? Working Paper (July 2009)

A Tradeable Obligation Approach to the CRA, in Revisiting the CRA: Perspectives on the Future of the Community Reinvestment Act, Federal Reserve Banks of Boston and San Francisco (February 2009)

Economic Analysis of Corporate Law in The New Palgrave Dictionary of Economics, Second Edition, 2008, Edited by Steven N. Durlauf and Lawrence E. Blume (with Robert Daines)

Analysis Reveals Low Director Liability Risk, Directorship, Vol. 33, No. 3, p. 23, 2007

Reducing Directors’ Legal Risk, Harvard Business Review, April 2007, p. 28

The Risk of Liability for Outside Directors, Directors Monthly, November 2006, p. 12

The Contractarian Theory of Corporate Law: A Generation Later, 31 J. Corp. Law 779 (2006)

Outside Director Liability: A Policy Analysis, 162 J. Institutional & Theoretical Econ. 5 (2006) (with Bernard Black and Brian Cheffins)

The Risk of Liability for Outside Directors, PLUS Journal, June 2006, p. 1

Outside Director Liability, 58 Stan. L. Rev. 1055 (2006) (with Bernard Black and Brian Cheffins) (recognized by Corporate Practice Commentator as one of the 10 best articles of 2006 on corporate law).

Failing to Govern? The Disconnect Between Theory and Reality In Nonprofit Boards, And How To Fix It, Stanford Social Innovation Review (Spring 2005) (with Bernard Black and Brian Cheffins)

Liability Risk for Outside Directors: A Cross-Border Analysis, European Financial Management 11: 153-71 (2005) (<http://ssrn.com/abstract=557070>) (with Bernard Black and Brian Cheffins)

In the Line of Fire? (with Bernard Black, Brian Cheffins, and Simon Witney), The European Lawyer, Issue 44, December 2004/January 2005 (with Bernard Black and Brian Cheffins)

Why Directors’ Damages May Harm Investors, Financial Times, January 20, 2005, 19 (with Bernard S. Black and Michael Klausner)

Outside Director Liability Risk: How Much Did WorldCom and Enron Change the Rules?, Bloomberg Law Reports – Corporate Governance, July 2005 (vol. 2, #6): 1 (with Bernard S. Black and Michael Klausner)

The Limits of Corporate Law in Promoting Good Corporate Governance, in **Restoring Trust in American Business** (Jay W. Lorsch, Leslie Berlowitz & Andy Zelleke eds. 2005) (<http://papers.ssrn.com/abstract=637021>)

Shareholder Suits and Outside Director Liability: The Case of Korea (with Bernard Black and Brian Cheffins) in **Corporate Governance and the Capital Market in Korea** (Young-Jae Lim, ed. forthcoming 2005) (with Bernard Black and Brian Cheffins)

Outside Directors and Lawsuits: What Are the Real Risks? (with Bernard Black and Brian Cheffins), *McKinsey Quarterly*, Number 4, 2004 (with Bernard Black and Brian Cheffins)

Agents Protecting Agents: Takeover Defenses in Spinoffs (with Robert Daines) (December 2004) (<http://ssrn.com/abstract=637001>)

Institutional Shareholders, Private Equity, and Anti-takeover Protection at the IPO Stage, 151 U. Pa. L. Rev. 755 (2003)

When Time Isn't Money: Foundations Payout Rates and the Time Value of Money, Vol. 1, Issue 1, *Stanford Social Innovation Review* (Spring 2003), reprinted in 41 *Exempt Organization Tax Review* 421 (2003)

Institutional Shareholders' Split Personality on Corporate Governance: Active in Proxies, Passive in IPOs, 28 *Directorship* No. 1 (January 2002).

What Economists have Taught Us About Venture Capital in Bridging the Entrepreneurial Finance Gap: Linking Governance with Regulatory Policy (Michael J. Whincop ed. 2001, Ashgate) (with Kate Litvak).

Do IPO Charters Maximize Firm Value? An Empirical Study of Antitakeover Protection in IPOs, 17 *J. Law, Econ. & Org.* 83 (2001) (with Robert Daines) (recognized by *Corporate Practice Commentator* as one of the 10 best articles of 2001 on corporate law).

A Comment on Contract and Jurisdiction Competition in The Fall and Rise of Freedom of Contract (F.H. Buckley ed., 1999, Duke University Press).

Shareholder Voting in the United States in Shareholder Voting Rights in the European Union (Eddy Wymeersch and Theodor Baums eds. 1999, Kluwer Law International).

Second Opinions in Litigation, 84 *Va. L. Rev.* 1411 (1998) (with Geoffrey Miller and Richard Painter).

Standardization and Innovation in Corporate Contracting (Or "The Economics of Boilerplate"), 83 *Va. L. Rev.* 713 (1997) (with Marcel Kahan).

Lockups and the Market for Corporate Control, 48 *Stan. L. Rev.* 1539 (1996) (with Marcel Kahan).

Path Dependence in Corporate Contracting: Increasing Returns, Herd Behavior, and Cognitive Biases, 74 Wash. U. L. Q. 347 (1996) (symposium on path dependence and corporate governance) (with Marcel Kahan)(recognized by Corporate Practice Commentator as one of the 10 best articles of 1996 on corporate law).

Market Failure and Community Investment: A Market-Oriented Alternative to the Community Reinvestment Act 143 U. Pa. L. Rev. (1561) 1995.

Corporations, Corporate Law, and Networks of Contracts, 81 Va. L. Rev. 757 (1995) (recognized by Corporate Practice Commentator as one of the 10 best articles of 1995 on corporate law).

Antitakeover Provisions in Bonds: Bondholder Protection or Management Entrenchment?, 40 U.C.L.A. L. Rev. 931 (1993) (with Marcel Kahan).

An Economic Analysis of Bank Regulatory Reform: The Financial Institutions Safety and Consumer Choice Act of 1991, 69 Wash. U. L. Q. 695 (1991) (symposium on bank reform).

Bank Regulatory Reform and Bank Structure, in **Structural Change in Banking**, (with Lawrence J. White).

Regulation of Banks, in **Introduction to American Law** (Alan Morrison ed. Oxford U. Press, 1996).

Letting Banks Trade CRA Obligations Would Offer Market-Based Efficiencies, **American Banker**, January 21, 1994.

Structural Change in Banking (Irwin 1993) (book co-edited with Lawrence J. White).

WORK IN PROGRESS

Board Declassification and Firm Value: Have Shareholders and Boards Really Destroyed Billions in Value? (with Emiliano Catan) https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2994559

Is SPAC Sponsor Compensation Evolving? A Sober Look at Earnouts (with Michael Ohlrogge), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4022611

SPAC Governance: In Need of Judicial Review, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3967693

CONGRESSIONAL TESTIMONY

Legislative responses to *Citizens United* ruling on corporate political expenditures, House Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, March 11, 2010.

University endowment spending, Senate Finance Committee Roundtable, September 8, 2008.