

A

Baseline Sequence

*D**D**C*

Repeated Sequence

*D**D**C**C**C**D**D**D**C**D**D**C**C*

B

Partner Conditions

$$p_{DD} \leq 1 - \frac{c}{b}$$

$$p_{CD} + p_{DC} \leq 2 - \frac{c^*}{b}$$

$$p_{DDD} \leq 1 - \frac{c}{b}$$

$$p_{CDC} + p_{DCD} \leq 2 - \frac{c}{b}$$

$$p_{CCD} + p_{CDC} + p_{DCC} \leq 3 - \frac{c^\dagger}{b}$$

$$p_{CDD} + p_{DCD} + p_{DDC} \leq 3 - 2 \cdot \frac{c}{b}$$

$$p_{CCD} + p_{CDD} + p_{DCC} + p_{DDC} \leq 4 - 2 \cdot \frac{c}{b}$$

C

Example of deriving condition

Sequence

Sequence
Round Payoff:*D**C**D**C*

$$p_{DC} \cdot b$$

$$p_{CD} \cdot b - c$$

Total Payoff:

$$(p_{CD} + p_{DC}) \cdot b - c$$

Partner condition:

$$(p_{CD} + p_{DC}) \cdot b - c \leq 2 \cdot (b - c)$$

Equivalent
condition:

$$p_{CD} + p_{DC} \leq 2 - \frac{c^*}{b}$$

Sequence

Sequence
Round Payoff:*D**D**C**D**D**C*

$$p_{DDC} \cdot b$$

$$p_{DCD} \cdot b$$

$$p_{CDD} \cdot b - c$$

Total Payoff:

$$(p_{DDC} + p_{DCD} + p_{CDD}) \cdot b - c$$

Partner condition:

$$(p_{DDC} + p_{DCD} + p_{CDD}) \cdot b - c \leq 3 \cdot (b - c)$$

Equivalent
condition:

$$p_{CCD} + p_{CDC} + p_{DCC} \leq 3 - \frac{c^\dagger}{b}$$