

## Response to Referee B comments

We appreciate that our original presentation has led to some of the negative reaction in the referee's mind. We have streamlined the presentation so as to avoid potential confusion and misunderstanding. Hence we have included additional preliminary detail and discussion to motivate layer dependence. Our responses to Referee B's specific comments are: (in referee's order)

1. Included additional explanation of how layer dependence captures the dependence structure for each copula illustrated in Figure 1, i.e. by reflecting the scatter of points continuously along the 45 degree line.
2. We have removed the factor copula model discussion and fitting strategy, focussing instead on layer dependence and its use as a local dependence measure.
3. Regarding the third comment, we agree and we have used the more common notation  $I_\alpha(u)$  for indicator variables.