

In worth 1509, so he prefers if A offers 1500, but A months the 2000 payoff so he would after 1000. If the rejects then he can affer 1000 to be indifferent, but runs the risk of A rejecting resulting in less many cultimately. A would offer 1001, Since he gets 1999, and this linely to accept since if he rejects he can really any gut 1000 vs. 1001, the offer is 1001 instead at 1000 to avail indifference by Mohan.

B. A offers 1500. This is the most he conget without

hinstantly rejecting if rejection happens, the mould likely make less maney

as A would veject affers of less than half the maney because he can
reject and get more next iteration. In would not spitefully reject 1500, and
any bigger on affer theore A gets 1855.