Debt Maturity
$$V(b,d,\theta) = \max_{h,c,b',d',\delta} u(c,n) + \theta w(n-c) + h,c,b',d',\delta \beta \mathbb{E}[v(b',d',\theta')]$$

$$S.t \quad l-\delta = -u_n(c,n) \Rightarrow solve for$$

s.t.
$$1-6 = -\frac{u_n(c,n)}{u_n(c,n)}$$

S.t
$$I-\overline{b} = -\frac{u_n(c_n)}{u_e(c_n)} > 30/v$$

$$q_b = \left(3 + \frac{\mathbb{E}\left[u_e(c_n')\right]}{u_e(c_n)}\right)$$

$$q_d = \left(3 + \frac{\mathbb{E}\left[u_e(c_n')\right]}{u_e(c_n')}\right)$$

$$u_c(c_i n)$$

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$$(c_{1}n) = \frac{c^{1-\gamma}}{1-\gamma} + \frac{\gamma}{1-\gamma} \frac{(1-n)^{1-\gamma}}{1-\gamma}$$

solve for n

as f(c, z)

$$u(c_{1}n) = \frac{c^{1-\gamma}}{1-\gamma} + \frac{\gamma}{1-\gamma} \frac{(1-n)^{1-\gamma}}{1-\gamma}$$

$$u_{n} = -\gamma \frac{(1-n)^{\gamma}}{1-\gamma} = \frac{\gamma}{1-\gamma} \frac{1-\gamma}{1-\gamma} = \frac{\gamma}{1-$$

$$u_{n} = -\frac{1}{4}(1-n)^{4}$$

$$-\frac{1}{6} = \frac{1}{4}\left(\frac{1-n}{6}\right)^{\frac{1}{6}} C$$

$$- \frac{1-n}{1-2} = \left(\frac{1}{1-2}\right)^{\frac{1}{8}} = \frac{1}{2} = \frac{$$

Max (1) by choice of (C,b,d), get (n, 5) from (1,2).

$$1-3=\psi\left(\frac{1-n}{c}\right)^{-1}$$

$$n(1-6) = 96b' + 9d(d'-(1-6)d) - b - kd + c$$

$$\gamma = 1 \qquad N = 1 - \frac{\sqrt{1-2}}{1-2}$$

$$n(1-7) = 1-7 - 40$$

given
$$(c,b,d) \rightarrow n(1-7) = (*) \rightarrow 1-(*) + \gamma c =$$

$$\rightarrow n = 1 - \frac{\gamma}{1-7} c$$