

Parameter estimation: We aim at a maximum-likelihood estimation of the parameters of the distribution

$$\phi(x) = C e^{\frac{1}{2}(\Theta_X + \Theta_Y)x^2 - \Theta_X x} x^{N_X + A - 1} (1 - x)^{N_Y + A - 1},$$

where C is determined by $\int_0^1 \phi(x) dx = 1$. This integral becomes numerically unstable for large parameter values, so we re-parameterize the distribution, defining $\hat{\nu}, \hat{s}, \hat{\theta}, \hat{\psi}, \hat{\xi}$ by

$$\Theta_X = \hat{s}\hat{\theta}\hat{\psi}, \Theta_Y = \hat{s}\hat{\theta}(1-\hat{\psi}), N_X-1 = \hat{s}(1-\hat{\theta})\hat{\nu}(1-\hat{\xi}), N_Y-1 = \hat{s}(1-\hat{\theta})(1-\hat{\nu})(1-\hat{\xi}), A = \hat{s}\hat{\theta}\hat{\xi},$$

where $\hat{s}, \hat{\theta}, \hat{\nu}, \hat{\xi} \in [0, 1]$ and $\hat{s} > 0$, with the restriction $\hat{s}(1-\hat{\theta})\hat{\nu}(1-\hat{\xi}) > 1$ and $\hat{s}(1-\hat{\theta})(1-\hat{\nu})(1-\hat{\xi}) > 1$. Therewith, the distribution becomes

$$\begin{aligned} \phi(x) = \hat{C} \exp \left[\hat{s} \left\{ \hat{\theta} \left(\frac{x^2}{2} - \hat{\psi}x \right) + \ln(x) \left((1-\hat{\theta})\hat{\nu}(1-\hat{\xi}) + \hat{\theta}\hat{\xi} \right) \right. \right. \\ \left. \left. + \ln(1-x) \left((1-\hat{\theta})(1-\hat{\nu})(1-\hat{\xi}) + \hat{\theta}\hat{\xi}(1-\hat{\nu}) \right) + B \right\} \right] \end{aligned}$$

Here, B is a constant that can be chosen in dependency on the data at hand. In practice, it is used to avoid an exponent that has a very large absolute number. The constant \hat{C} is, as before, determined by the fact that the integral is 1.