

Case (iii) $a_1 \neq a_2$ and $b_1 = b_2$

$$k = \max\{a_1, a_2\} \cdot \left(\frac{T-b+1-\max\{a_1, a_2\}}{b} \right)$$

w.l.o.g. assume $a_1 > a_2$

$$\Rightarrow k = a_1 \cdot \left(\frac{T-b+1-a_1}{b} \right)$$

$$m_1 = a_1 + a_1 \cdot \left(\frac{T-b+1-a_1}{b} \right) = a_1 \cdot \left(\frac{T+1-a_1}{b} \right)$$

$$m_2 = a_2 + a_1 \cdot \left(\frac{T-b+1-a_1}{b} \right) < m_1$$

Dispersion-Span Constraint:

Ineq-①

$$T-b-(m_1-1)-(b-a_1) \left\lceil \frac{m_1-1}{a_1} \right\rceil \geq 0$$

$$T-b-a_1 \cdot \left(\frac{T+1-a_1}{b} \right) + 1 - (b-a_1) \left\lceil \frac{T+1-a_1}{b} - \frac{1}{a_1} \right\rceil$$

$$\leq T-b-a_1 \cdot \left(\frac{T+1-a_1}{b} \right) + 1 - (b-a_1) \left(\frac{T+1-a_1}{b} - 1 \right)$$

$$= T-b+1 - T+1+a_1 + b-a_1$$

$$= 0$$

$$\Rightarrow T-b-(m_1-1)-(b-a_1) \left\lceil \frac{m_1-1}{a_1} \right\rceil \leq 0$$

Therefore for Ineq ① to hold

$$b \mid T+1-a_1$$

Same Argument
that was
made in case (i)

Equality holds iff

$$b \mid T+1-a_1$$

Ineq-②

$$T-b-(m_2-1)-(b-a_2) \left\lceil \frac{m_2-1}{a_2} \right\rceil \geq 0$$

$$T-b-a_2-k+1-(b-a_2) \left\lceil \frac{m_2-1}{a_2} \right\rceil$$

$$= T-b-a_2-k+1-(b-a_2) \left\lceil \frac{m_2}{a_2} - \frac{1}{a_2} \right\rceil$$

$$\leq T-b-a_2-k+1-(b-a_2) \left(\frac{m_2}{a_2} - 1 \right)$$

$$= T-b-a_2-k+1-(b-a_2) \left(\frac{k}{a_2} \right)$$

$$= T-b-a_2+1-b \cdot \frac{k}{a_2}$$

$$= T-b-a_2+1 - \frac{a_1}{a_2} \cdot (T-b-a_1+1)$$

$$= \frac{(a_2-a_1)(T-b+1) - (a_2-a_1)(a_1+a_2)}{a_2}$$

$$= \underbrace{\frac{(a_2-a_1)}{a_2}}_{-ve} \underbrace{\left(T-b+1-a_1-a_2 \right)}_{+ve} < 0$$

$$\Rightarrow T-b-(m_2-1)-(b-a_2) \left\lceil \frac{m_2-1}{a_2} \right\rceil < 0$$

Therefore Ineq-② does not hold

Same Argument
that was
made in case (i)

$$z < \frac{m_2}{a_2} < z + \frac{1}{a_2}, z = \left\lceil \frac{m_2}{a_2} \right\rceil$$

$$a_2 z < m_2 < a_2 z + 1$$

Not possible

$\therefore m$ is an integer

$$\text{If } T+1-a_1 = b$$

$$\text{then } k = 0$$

$$\text{but } k > 0$$

$$\therefore T+1-a_1 \geq 2b$$

$$\Rightarrow T+1-a_1-b-a_2 \geq b-a_2 > 0$$

\therefore Dispersion Span
constraint does not hold

Whenever $a_1 \neq a_2$ and $b_1 = b_2$ no valid SDE based

construction is Rate-optimal