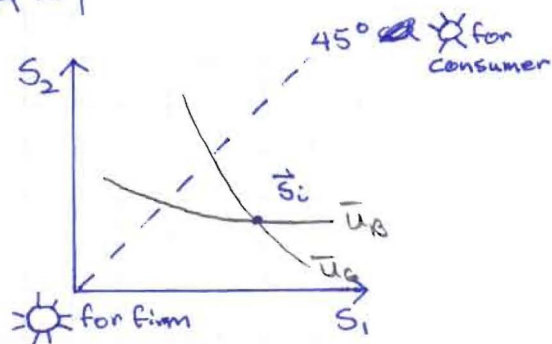
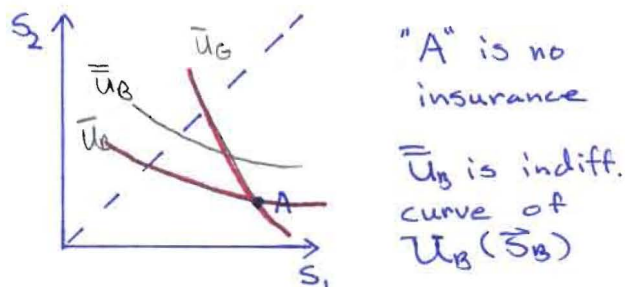


Monopolistic Screening Appendix

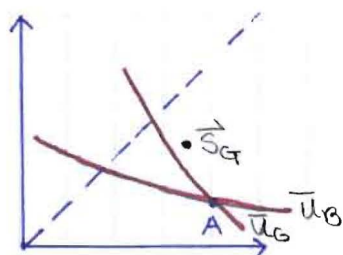
A-1



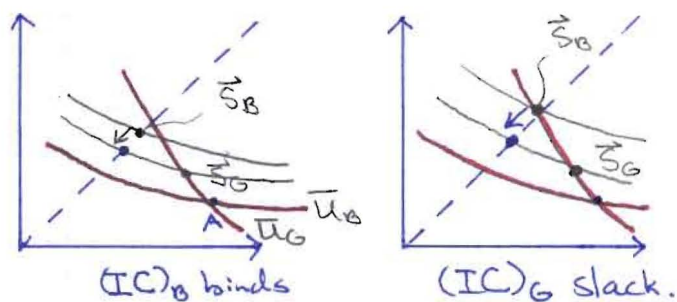
A-2



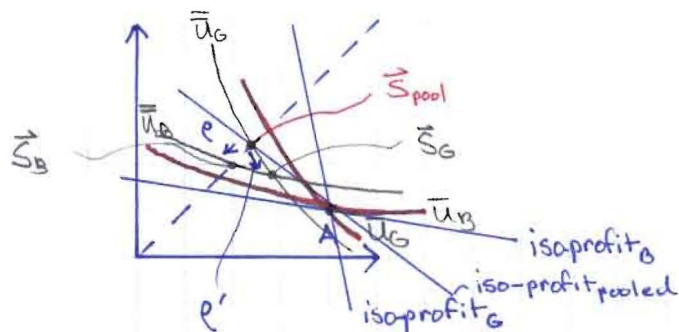
A-3



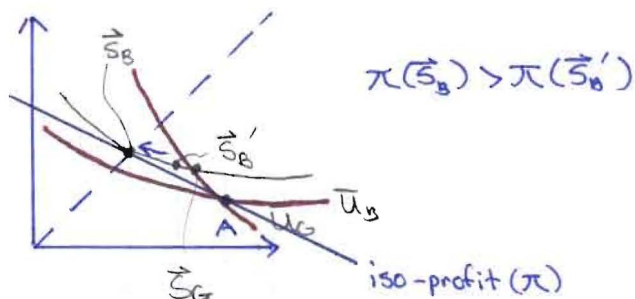
A-4



A-5



A-6



\bar{U}_G denotes indiff. curve of U_G (no insurance)
 \bar{U}_B " " " " \bar{U}_B (no insurance)
 expected utility

For A-5, moving from \bar{S}_{pool} to \bar{S}_B and \bar{S}_G improves profits for the insurer.