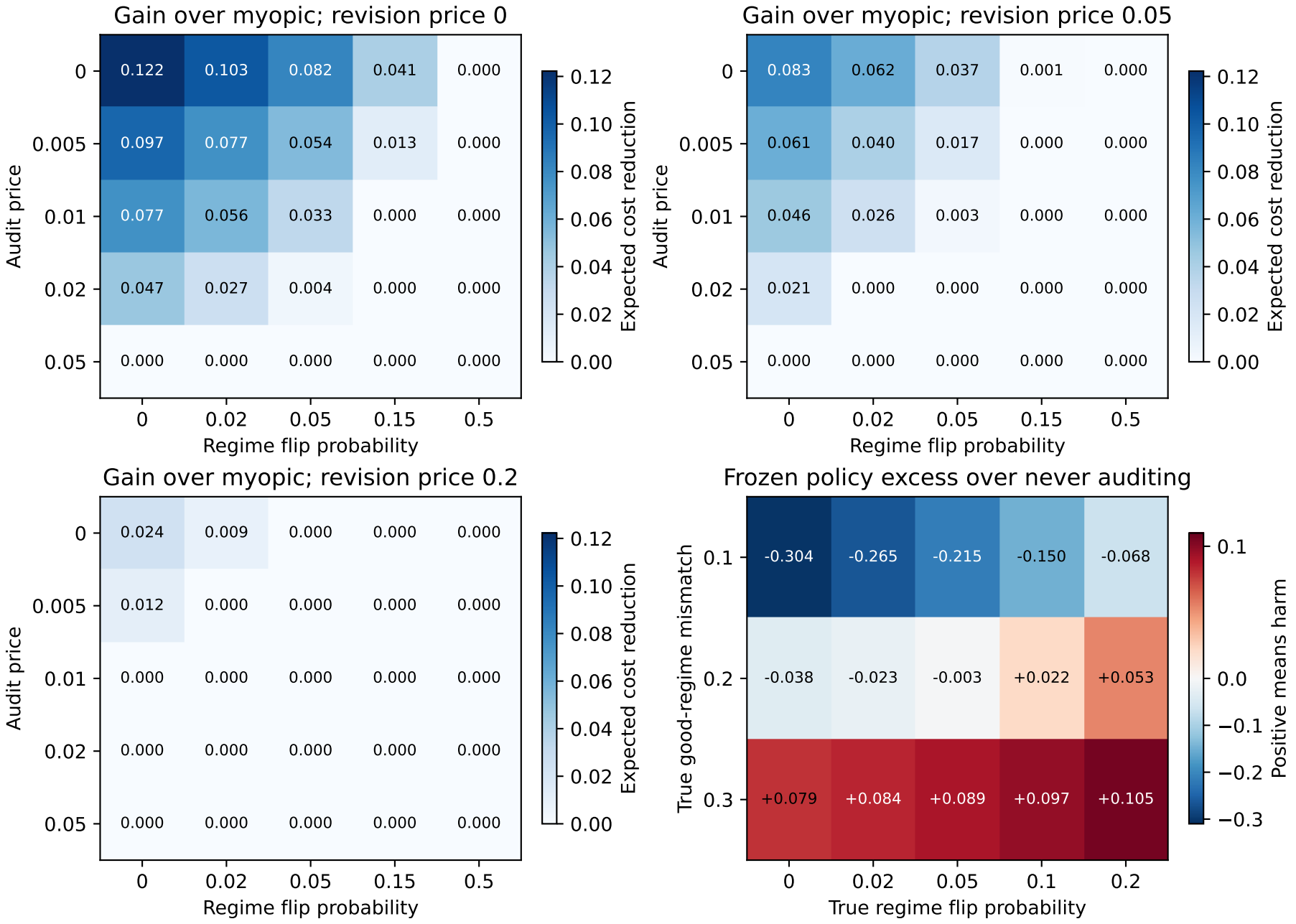

Gain over myopic; revision price 0
0.122 0.103 0.082 0.041 0.000
0.097 0.077 0.054 0.013 0.000
0.077 0.056 0.033 0.000 0.000
0.047 0.027 0.004 0.000 0.000
0.000 0.000 0.000 0.000 0.000
Audit price
0 0.005 0.01 0.02 0.05
Regime flip probability
0 0.02 0.05 0.15 0.5
Expected cost reduction
0.12 0.10 0.08 0.06 0.04 0.02 0.00
Gain over myopic; revision price 0.05
0.083 0.062 0.037 0.001 0.000
0.061 0.040 0.017 0.000 0.000
0.046 0.026 0.003 0.000 0.000
0.021 0.000 0.000 0.000 0.000
0.000 0.000 0.000 0.000 0.000
Gain over myopic; revision price 0.2
0.024 0.009 0.000 0.000 0.000
0.012 0.000 0.000 0.000 0.000
0.000 0.000 0.000 0.000 0.000
0.000 0.000 0.000 0.000 0.000
0.000 0.000 0.000 0.000 0.000
Frozen policy excess over never auditing
-0.304 -0.265 -0.215 -0.150 -0.068
-0.038 -0.023 -0.003 +0.022 +0.053
+0.079 +0.084 +0.089 +0.097 +0.105
True good-regime mismatch
0.1 0.2 0.3
True regime flip probability
0 0.02 0.05 0.1 0.2
Positive means harm
0.1 0.0 −0.1 −0.2 −0.3