## Information Sciences Letters

# Analyzing Related Strategic Behavior Through Strictly Alternating Interactions with Two-Memory Length 

Essam El-Seidy<br>Mathematics' Department, Faculty of Science, Ain Shams University, Cairo, Egypt, shimaa.atef_90@yahoo.com<br>E. A. Elsakhawy<br>Mathematics' Department, Faculty of Science, Ain Shams University, Cairo, Egypt, shimaa.atef@sci.asu.edu.eg<br>Mohamed Mamdouh Zayet<br>Department of Basic Sciences, Faculty of Engineering, The British University, El-Sherouk City, Egypt, shimaa.atef@sci.asu.edu.eg<br>Shimaa Atef<br>Mathematics' Department, Faculty of Science, Ain Shams University, Cairo, Egypt, shimaa.atef@sci.asu.edu.eg

Follow this and additional works at: https://digitalcommons.aaru.edu.jo/is|

## Recommended Citation

El-Seidy, Essam; A. Elsakhawy, E.; Mamdouh Zayet, Mohamed; and Atef, Shimaa (2023) "Analyzing Related Strategic Behavior Through Strictly Alternating Interactions with Two-Memory Length," Information Sciences Letters: Vol. 12 : Iss. 6 , PP -
Available at: https://digitalcommons.aaru.edu.jo/isl/vol12/iss6/25

This Article is brought to you for free and open access by Arab Journals Platform. It has been accepted for inclusion in Information Sciences Letters by an authorized editor. The journal is hosted on Digital Commons, an Elsevier platform. For more information, please contact rakan@aaru.edu.jo, marah@aaru.edu.jo, u.murad@aaru.edu.jo.

2483

# Analyzing Related Strategic Behavior Through Strictly Alternating Interactions with Two-Memory Length 

Essam El-Seidy ${ }^{1}$, E. A. Elsakhawy ${ }^{1}$, Mohamed Mamdouh Zayet ${ }^{2}$, and Shimaa Atef ${ }^{1, *}$<br>${ }^{1}$ Mathematics' Department, Faculty of Science, Ain Shams University, Cairo, Egypt<br>${ }^{2}$ Department of Basic Sciences, Faculty of Engineering, The British University, El-Sherouk City, Egypt

Received: 13 Jan. 2023, Revised: 22 Mar. 2023, Accepted: 22 May 2023
Published online: 1 Jun. 2023


#### Abstract

Reciprocal altruism can often be modeled through the iterated Prisoner's Dilemma game in which players take turns in the roles of donor and recipient. Several late studies were based on memory alteration in the repeated Prisoner's Dilemma game. This prompted us to study this alteration in a strictly alternating iterated Prisoner's Dilemma game. In our work, we represented the repeated games played by finite states of automata. Also, we supposed that there is relatedness between the players in this game. A relatedness average degree $r$ considered between players, where $0 \leq r \leq 1$. The effect of noise on the relatedness degree among players can be examined with regard to the behavior of the strategies in their competitions.


Keywords: Alternative game, Iterated Prisoner's Dilemma Game (IPD), Payoff Matrix, Relatedness, Two Memory, Two-Player Game, Transition Matrix.

## 1 Introduction

Game theory is a set of ideas for analyzing conflict models with mathematical techniques. It is a formal method for analyzing the strategic interaction between rational agents acting strategically [1]. Repetitive game theory is a method more relevant to the biological and behavioral sciences. It gives the main pattern to explain how selfish players can still cooperate in a long-term relationship. Therefore, it is often cited by anthropologists, political scientists, economists [2,3] and scholars interested in human cooperation. There are multiple game models, including the simultaneous model, in which the competitors choose without each of them knowing the other's choice. As well as the alternating model, in which the players choose their decisions in turns, such as in the game of chess. There are two types of this model: strictly alternating models, which are the focus of this work, and random alternating models. In strictly alternating models, we consider two (or more) players and two options each for a game. In each round, the player who starts with his choice in the round is called the leader and the other is called the recipient. In the random model, each player has a chance to be a leader with a certain probability.

The prisoner's dilemma can be used to make a decision in a number of areas in one's personal life, such as competition between people, buying a car, negotiation skills, and so on. In game theory, the prisoner's dilemma is the famous form, but in biology and economics, there are many different recurring games such as: Hawk-Dove, location games,...etc. In these games, they explain why two sane people don't cooperate, even if it seems that way to be in their interest [4]. For example, a well-known example that is an important motif for the cooperating game is the vampire bat. In this example, they bond with each other and feed on the blood of livestock in their nocturnal habitats. Depending on the amount of blood they receive, bats may alternate between the roles of donors and recipients [5].

[^0]The prisoner's dilemma is a complex example of mutual cooperation. Both players can be in one of two possible motions $C$, which stands for cooperate, and $D$ which stands for defect [5,6]. If both players cooperate, each earns $\mathcal{R}$ (reward), while if both players defect, each earns $\mathcal{P}$ (the penalty), which is smaller than $\mathcal{R}$. If one is defective and the opponent cooperates, the cooperator will get the lowest payoff $\mathcal{S}$ (Sucker's) while the defector will receive the highest payoff $\mathcal{T}$ (the temptation to defect). Obviously, defection is the only best option for one round. The defective player will get $\mathcal{T}$ if the other player cooperates, and the cooperative player will get $\mathcal{R}$ if the other player cooperates, where $\mathcal{R}$ is less than $\mathcal{T}$. The defective player will get $\mathcal{P}$ if the opponent defects, while the cooperative player will get $\mathcal{S}$ if the other player has defects, where $\mathcal{S}$ is less than $\mathcal{P}$. There is a potential difference that occurs if the game is repeated (repeated prisoners' dilemma game, i.e. IPD). Therefore, we have four outgoing transitions [both players cooperate ( $C, C$ ), first player cooperates and the other defects $(C, D)$, first player defects and the other cooperates $(D, C)$, and both players defect $(D, D)$ ] where the first place is the player under investigation, while the other place represents the opponents. Moreover, the payoff matrix for each round of the Prisoner's Dilemma game [5] is presented by

$$
\left.\begin{array}{c}
C \\
C  \tag{1}\\
C \\
D \\
D
\end{array} \begin{array}{cc}
\mathcal{R} & \mathcal{S} \\
\mathcal{T} & \mathcal{P}
\end{array}\right],
$$

where

$$
\begin{equation*}
2 \mathcal{R}>\mathcal{T}+\mathcal{S} \text { and } \mathcal{T}>\mathcal{R}>\mathcal{P}>\mathcal{S} \tag{2}
\end{equation*}
$$

Therefore, there are a total of 16 different strategies made out of 24 probability transition arrows denoted by $S_{0}, S_{1}, \ldots, S_{15}$ which can be categorized by $\left(y_{1}, y_{2}, y_{3}, y_{4}\right)$ of ones and zeros. Here $y_{i}=1$ or 0 ; if the player plays $C$ or $D$ respectively. For instance, $S_{9}=(1,0,0,1)$, which is known as the Pavlov strategy [5], which represented as in Fig. 1


Fig. 1: Automaton of Pavlov Strategy

In Prisoner's Dilemma game, we suppose that a player with the $P=\left(p_{C C}, p_{C D}, p_{D C}, p_{D D}\right)$ strategy matches the opponent using the $Q=\left(q_{C C}, q_{C D}, q_{D C}, q_{D D}\right)$ strategy. The Markov chain transition matrix for simultaneous games $\left(M_{S}\right)$ is given by $[5,7,8]$

$$
M_{S}=\begin{array}{cccc}
\mathcal{R} & \mathcal{S} & \mathcal{T} & \mathcal{P}  \tag{3}\\
\mathcal{S} \\
\mathcal{T} \\
\mathcal{P}
\end{array}\left[\begin{array}{cccc}
p_{C C} q_{C C} & p_{C C}\left(1-q_{C C}\right) & \left(1-p_{C C}\right) q_{C C} & \left(1-p_{C C}\right)\left(1-q_{C C}\right) \\
p_{C D} q_{D C} & p_{C D}\left(1-q_{D C}\right) & \left(1-p_{C D}\right) q_{D C} & \left(1-p_{C D}\right)\left(1-q_{D C}\right) \\
p_{D C} q_{C D} & p_{D C}\left(1-q_{C D}\right) & \left(1-p_{D C}\right) q_{C D} & \left(1-p_{D C}\right)\left(1-q_{C D}\right) \\
p_{D D} q_{D D} & p_{D D}\left(1-q_{D D}\right) & \left(1-p_{D D}\right) q_{D D} & \left(1-p_{D D}\right)\left(1-q_{D D}\right)
\end{array}\right],
$$

The simultaneous Iterated Prisoner's Dilemma game has been examined in most previous studies for two [5,15] and three players $[7,9,10]$, whether with memory one or two. Furthermore, the effect of the relationship between players on the behavior of the strategies was studied in all the previously mentioned cases [7,10,11, 12, 13]. Then some recent studies looked at games as an alternative to repeated prisoner's dilemma but with memory one $[8,14]$. Recently, in our recent research, we studied the alternative repeated prisoner's dilemma, but with memory two, and its effect on the competition between strategies. Now, in this paper, we will study the effect of the relationship between the players on the behavior of the strategies using $r$ as a relationship coefficient in the alternative repeated prisoner's dilemma with memory two.

## 2 Alternating Prisoner's Dilemma Game

In the alternating Prisoner's Dilemma game, the leader in each round is one of the players who can control the outcome. If the leader chooses $C$, this means that he receives $A_{1}$, and the opponent receives $B_{1} . D$ option means that the leader gets $A_{2}$, points and the opponent gets $B_{2}$.

In a single round, the leader's option $D$ is better than $C$. The loss is $A_{2}-A_{1}$ and the benefit is $B_{1}-B_{2}$, then we have

$$
\begin{equation*}
0<A_{2}-A_{1}<B_{1}-B_{2} \tag{4}
\end{equation*}
$$

We consider the players take turns leading in two consecutive rounds. They get $A_{1}+B_{1}$ which is denoted by $\mathcal{R}$ if both play $C$. Also, both of them get $A_{2}+B_{2}$, which is denoted by $\mathcal{P}$ if both play $D$. But the cooperator gains $A_{1}+B_{2}$, which is what we denote by $\mathcal{S}$, and the defector gains $A_{2}+B_{1}$ which is denoted by $\mathcal{T}$ if one plays $C$, and the opponent $D$. Therefore, we obtain

$$
\begin{equation*}
2 \mathcal{R}>\mathcal{T}+S \text { and } \mathcal{T}>\mathcal{R}>\mathcal{P}>\mathcal{S} \tag{5}
\end{equation*}
$$

Inequality (2) is considered the condition of the payoff for simultaneous Prisoner's Dilemma games. While, in the alternating Prisoner's Dilemma games, the condition of payoff becomes as in both (2) and (6).

$$
\begin{equation*}
\mathcal{T}+\mathcal{S}=\mathcal{R}+\mathcal{P} \tag{6}
\end{equation*}
$$

Also, the matrix $M_{s}$, which is shown in (3) represents the Markov chain transition matrix for simultaneous games. Where, if we want to transform state $\mathcal{R}$ to $\mathcal{T}$, it means we will transform from $(C, C)$ to ( $D, C$ ), so player I will change his decision and player II will insist on his decision. Therefore, the transformation probability from state $\mathcal{R}$ to $\mathcal{T}$ is equal to $\left(1-p_{C C}\right) q_{C C}$. But, the Markov chain transition matrix for alternating games is different as shown $[8,14]$

$$
M_{A}=\begin{gather*}
\mathcal{R} \\
\mathcal{R}  \tag{7}\\
\mathcal{S} \\
\mathcal{T}
\end{gather*}\left[\begin{array}{ccc}
p_{C C} q_{C C} & p_{C C}\left(1-q_{C C}\right) & \left(1-p_{C C}\right) q_{C D} \\
\mathcal{P} & \left(1-p_{C C}\right)\left(1-q_{C D}\right) \\
p_{C D} q_{D C} & p_{C D}\left(1-q_{D C}\right) & \left(1-p_{C D}\right) q_{D C} \\
p_{D C} q_{C C} & p_{D C}\left(1-p_{C D}\right)\left(1-q_{D C}\right) & \left(1-p_{D C}\right) q_{C D} \\
p_{D D} q_{D C} & p_{D D}\left(1-p_{D C}\left(1-q_{D C}\right)\right. & \left(1-p_{D D}\right) q_{D D} \\
p_{D D}\left(1-p_{D D}\right)\left(1-q_{C D}\right)
\end{array}\right]
$$

Where, if we want to transform state $\mathcal{R}$ to $\mathcal{T}$, it means player I will change his decision and play $D$ after $(C, C)$ and player II will insist on his decision and play $C$ after $(C, D)$ as shown in Table 1. Therefore, the probability of the transformation from state $\mathcal{R}$ to $\mathcal{T}$ is equal to $\left(1-p_{C C}\right) q_{C D}$

Table 1

| Number of round | $2 n-2$ | $2 n-1$ | $2 n$ | $2 n+1$ |
| :---: | :---: | :---: | :---: | :---: |
| $P$-player <br> $Q$-player | $C$ |  | $D$ |  |
|  | $\underbrace{}_{\text {unit } 2 n-2}$ | $\underbrace{}_{\text {unit } 2 n}$ |  |  |
|  |  | $\underbrace{}_{\text {unit } 2 n-1}$ |  |  |

## 3 Contention between the strategy $S_{8}$ against the strategy $S_{11}$

We will suppose, game for two players, the first one plays with strategy $S_{8}$ against the other player who plays with $S_{11}$. We will get the following eight sequences as follows:

1) If we suppose that players play $C$ in the first three rounds, then causing players to play $C$ in each round. So that the repetition period of this sequence is two rounds with payoffs $(\mathcal{R}, \mathcal{R})$. This produces an average payoff with a value of $\mathcal{R}$ and is called approach A.

2) If $S_{8}$ and $S_{11}$ are assumed to play $C$ in their first round but $S_{8}$ plays $D$ in his second round, then causing $S_{8}$ to play $D$ in each round and $S_{11}$ to switch between $C$ and $D$ in order. So that the repetition period of this sequence is four rounds with payoffs $(\mathcal{T}, \mathcal{T}, \mathcal{P}, \mathcal{P})$. This produces an average payoff with a value of $\frac{\mathcal{P}+\mathcal{T}}{2}$ and is called approach B.

3) If $S_{8}$ starts with $C$ in his first two rounds while $S_{11}$ starts with $D$ in his first round, then causing $S_{8}$ to play $D$ in each round and $S_{11}$ to switch between $C$ and $D$ in order. So that the repetition period of this sequence is four rounds with payoffs $(\mathcal{T}, \mathcal{T}, \mathcal{P}, \mathcal{P})$. This produces an average payoff with a value of $\frac{\mathcal{P}+\mathcal{T}}{2}$ and is called approach B.

4) If $S_{8}$ starts with $D$ in his first round while $S_{11}$ play $C$ in first round and $S_{8}$ plays $C$ in second round. Then the repetition period of this sequence is four rounds with payoffs $(\mathcal{T}, \mathcal{T}, \mathcal{P}, \mathcal{P})$. This produces an average payoff with a value of $\frac{\mathcal{P}+\mathcal{T}}{2}$ and is called approach B.

5) If $S_{8}$ starts with $C$ in his first round while $S_{11}$ plays $D$ in first round and $S_{8}$ plays $D$ in second round, then causing $S_{8}$ to play $D$ in each round and $S_{11}$ to switch between $C$ and $D$ in order. So that the repetition period of this sequence is four rounds with payoffs $(\mathcal{T}, \mathcal{T}, \mathcal{P}, \mathcal{P})$. This produces an average payoff with a value of $\frac{\mathcal{P}+\mathcal{T}}{2}$ and is called approach B .

6) If $S_{8}$ starts with $C$ in his first two rounds while $S_{11}$ starts with $D$ in his first round, then causing $S_{8}$ to play $D$ in each round and $S_{11}$ to switch between $D$ and $C$ in order. So that the repetition period of this sequence is four rounds with payoffs $(\mathcal{T}, \mathcal{T}, \mathcal{P}, \mathcal{P})$. This produces an average payoff with a value of $\frac{\mathcal{P}+\mathcal{T}}{2}$ and is called approach B.

7) If $S_{8}$ and $S_{11}$ are assumed to play $D$ in their first round but $S_{8}$ plays $C$ in his second round, then causing $S_{8}$ to play $D$ in each round. So that the repetition period of this sequence is four rounds with payoffs $(\mathcal{T}, \mathcal{T}, \mathcal{P}, \mathcal{P})$. This produces an average payoff with a value of $\frac{\mathcal{P}+\mathcal{T}}{2}$ and is called approach $B$.

8) If we suppose that players play $D$ in the first three rounds, then causing $S_{8}$ to play $D$ in each round and $S_{11}$ to switch between $C$ and $D$ in order. So that the repetition period of this sequence is four rounds with payoffs $(\mathcal{T}, \mathcal{T}, \mathcal{P}, \mathcal{P})$. This produces an average payoff with a value of $\frac{\mathcal{P}+\mathcal{T}}{2}$ and is called approach B.


In the previous eight sequences, there are two approaches resulting from $S_{8}$ competing with $S_{11}$, which is called A and B. Let's make a little random noise as in the next section, where every decision in the repetition period will be tested under possible error (playing $C$ instead of $D$ or vice versa). This study will only consider implementation flaws.

## 4 Perturbed Payoff

If one of the two players makes an incorrect move or decision (when the transition rule specifies $D$, he plays $C$, or when the transition rule specifies $C$, he plays $D$ ), then there is an implementation error. In regime A, one of the two players plays $D$ due to a rare perturbation cause and thus leads after little steps to regime B: Each element in the repetition period will be changed individually and new states will be tracked to determine the approach and the payoff. Now, if the first element of the iteration period changes i.e. $S_{8}$ plays $D$ instead of $C$, then approach A is changed to approach B:


Also, If the second element of the repetition period changes, i.e., $S_{11}$ plays $D$ instead of $C$, then approach A is changed to approach B:


It is clear that when a wrong decision occurs in approach A , it will be changed to approach B in all possible mutations with a probability of $100 \%$. Similarly, when a wrong decision occurs in approach B, it will not change in all possible mutations. Then, the corresponding transition matrix will be in the form

$$
\left.\begin{array}{c} 
 \tag{8}\\
A \\
B
\end{array} \begin{array}{cc}
A & B \\
{\left[\begin{array}{c}
0 \\
0
\end{array}\right.} & 1 \\
1
\end{array}\right]
$$

The first row in the above matrix represents the probabilities of approach A , where it has probability zero in the first column as it will not be converted to itself but with probability one in the second column because it will be changed to approach B in all possible mutations. The second row represents the probabilities of approach B, where it has probability zero in the first column as it will not be converted to approach A but with probability one in the second column because it will be changed to itself in all possible mutations. By using the following equation, we can calculate the corresponding stationary distribution of contention

$$
\begin{equation*}
\Pi M=\Pi, \tag{9}
\end{equation*}
$$

where the eigenvector $\Pi=\left(\pi_{1}, \pi_{2}, \pi_{3}, \pi_{4}\right)$ is the stationary distribution of transition matrix $M$ and

$$
\begin{equation*}
\sum_{i=1}^{4} \pi_{i}=1 \tag{10}
\end{equation*}
$$

Then,

$$
\left(\begin{array}{ll}
\pi_{1} & \pi_{2}
\end{array}\right) \times\left(\begin{array}{ll}
0 & 1  \tag{11}\\
0 & 1
\end{array}\right)=\binom{\pi_{1}}{\pi_{2}}
$$

The payoff for $S_{8}$-player against $S_{11}$-player is

$$
\begin{gather*}
H(P, Q)=\pi_{1} \mathcal{R}+\pi_{2} \mathcal{S}+\pi_{3} \mathcal{T}+\pi_{4} \mathcal{P} \\
H\left(S_{8}, S_{11}\right)=0 \mathcal{R}+1 \frac{\mathcal{P}+\mathcal{T}}{2}=\frac{1}{2} \mathcal{P}+\frac{1}{2} \mathcal{T} \tag{12}
\end{gather*}
$$

Then, the payoff vector $(0,0,1,1)$. By repeating this method, we get $16^{2}$ payoff values of $S_{i}$ strategy for player I against the $S_{j}$ opponents strategies for player II are obtained, where $i, j$ take the value from 0 to 15 . The conflict payoff between any two strategies used in this paper under the influence of approach repetition can be represented in the following table

|  | $S_{0}$ | $S_{1}$ | $S_{3}$ | $S_{4}$ | $S_{5}$ | $S_{6}$ | $S_{7}$ | $S_{8}$ | $S_{9}$ | $S_{10}$ | $S_{11}$ | $S_{12}$ | $S_{13}$ | $S_{14}$ | $S_{15}$ | $S_{16}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $S_{0}$ | 0010 | 1010 | 0010 | 1010 | 1020 | 1000 | 1010 | 1000 | 0010 | 1010 | 0010 | 1010 | 1010 | 1000 | 2010 | 1000 |
| $S_{1}$ | 0011 | 1121 | 1111 | 1111 | 0011 | 2110 | 2121 | 2110 | 0011 | 2121 | 1111 | 1111 | 2011 | 1000 | 1000 | 1000 |
| $S_{2}$ | 0010 | 1111 | 2011 | 1111 | 0010 | 1111 | 2121 | 1111 | 0010 | 2121 | 1021 | 2111 | 1120 | 1100 | 1100 | 1100 |
| $S_{3}$ | 0011 | 1111 | 1111 | 1111 | 0011 | 1111 | 1111 | 1111 | 0011 | 1111 | 1111 | 1111 | 1111 | 1100 | 1100 | 1100 |
| $S_{4}$ | 0021 | 1010 | 0010 | 1010 | 1021 | 1000 | 1010 | 1000 | 0021 | 1010 | 0010 | 1010 | 3021 | 1000 | 2010 | 1000 |
| $S_{5}$ | 0001 | 0112 | 1111 | 1111 | 0001 | 1111 | 1111 | 2110 | 0001 | 1111 | 1111 | 1111 | 1001 | 1000 | 1000 | 1000 |
| $S_{6}$ | 0011 | 1122 | 1122 | 1111 | 0011 | 1111 | 1111 | 2211 | 0011 | 1111 | 1111 | 2211 | 1111 | 1100 | 1100 | 1100 |
| $S_{7}$ | 0001 | 0122 | 1111 | 1111 | 0001 | 0112 | 1212 | 1211 | 0001 | 1212 | 1111 | 1111 | 1102 | 1100 | 1100 | 1100 |
| $S_{8}$ | 0010 | 1010 | 0010 | 1010 | 1020 | 1000 | 1010 | 1000 | 0010 | 1010 | 0010 | 1010 | 2130 | 1000 | 2110 | 2100 |
| $S_{9}$ | 0011 | 1122 | 1122 | 1111 | 0011 | 1111 | 1111 | 2211 | 0011 | 1111 | 1111 | 2211 | 1111 | 1100 | 1100 | 1100 |
| $S_{10}$ | 0010 | 1111 | 1021 | 1111 | 0010 | 1111 | 1111 | 1111 | 0010 | 1111 | 1111 | 1201 | 0110 | 0100 | 0100 | 0100 |
| $S_{11}$ | 0011 | 1111 | 1112 | 1111 | 0011 | 1111 | 1212 | 1111 | 0011 | 1212 | 1201 | 1201 | 0211 | 0100 | 0100 | 0100 |
| $S_{12}$ | 0011 | 1012 | 0121 | 1111 | 1023 | 1001 | 1111 | 2101 | 0132 | 1111 | 0110 | 1210 | 1111 | 3201 | 2310 | 0100 |
| $S_{13}$ | 0001 | 0001 | 0101 | 0101 | 0001 | 0001 | 0101 | 0101 | 0001 | 0101 | 0100 | 0100 | 1203 | 1201 | 1200 | 1200 |
| $S_{14}$ | 0012 | 0001 | 0101 | 0101 | 0012 | 0001 | 0101 | 0101 | 0112 | 0101 | 0100 | 0100 | 0312 | 0201 | 0100 | 0100 |
| $S_{15}$ | 0001 | 0001 | 0101 | 0101 | 0001 | 0001 | 0101 | 0101 | 0102 | 0101 | 0100 | 0100 | 0100 | 0201 | 0100 | 0100 |

E. El-Seidy et al.: Analyzing Related Strategic Behavior Through Strictly...

## 5 Relatedness Between $S_{8}$ and $S_{11}$

We will investigate the effect of relatedness between players on the behavior of strategies by using different numerical values for $\mathcal{T}, \mathcal{R}, \mathcal{P}$ and $\mathcal{S}$ and with different relatedness averages among the two players.

- Case 1: For $\mathcal{T}=5, \mathcal{R}=3, \mathcal{P}=1$ and $\mathcal{S}=0$, we get three sub cases for different $r$ as in Tables 3:5

Table 3: Payoff Values with $r=0.0001$

|  | $S_{0}$ | $S_{1}$ | $S_{3}$ | $S_{4}$ | $S_{5}$ | $S_{6}$ | $S_{7}$ | $S_{8}$ | $S_{9}$ | $S_{10}$ | $S_{11}$ | $S_{12}$ | $S_{13}$ | $S_{14}$ | $S_{15}$ | $S_{16}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $S_{0}$ | 1.00 | 3.00 | 1.00 | 3.00 | 2.33 | 5.00 | 3.00 | 5.00 | 1.00 | 3.00 | 1.00 | 3.00 | 3.00 | 5.00 | 3.67 | 5.00 |
| $S_{1}$ | 0.50 | 2.00 | 2.25 | 2.25 | 0.50 | 3.50 | 2.50 | 3.50 | 0.50 | 2.50 | 2.25 | 2.25 | 2.75 | 5.00 | 5.00 | 5.00 |
| $S_{2}$ | 1.00 | 2.25 | 2.75 | 2.25 | 1.00 | 2.25 | 2.50 | 2.25 | 1.00 | 2.50 | 1.75 | 2.80 | 2.50 | 4.00 | 4.00 | 4.00 |
| $S_{3}$ | 0.50 | 2.25 | 2.25 | 2.25 | 0.50 | 2.25 | 2.25 | 2.25 | 0.50 | 2.25 | 2.25 | 2.25 | 2.25 | 4.00 | 4.00 | 4.00 |
| $S_{4}$ | 0.67 | 3.00 | 1.00 | 3.00 | 1.75 | 5.00 | 3.00 | 5.00 | 0.67 | 3.00 | 1.00 | 3.00 | 2.83 | 5.00 | 3.67 | 5.00 |
| $S_{5}$ | 0 | 1.00 | 2.25 | 2.25 | 0 | 2.25 | 2.25 | 3.50 | 0 | 2.25 | 2.25 | 2.25 | 2.50 | 5.00 | 5.00 | 5.00 |
| $S_{6}$ | 0 | 1.00 | 2.25 | 2.25 | 0 | 2.25 | 2.25 | 3.50 | 0 | 2.25 | 2.25 | 2.25 | 2.50 | 5.00 | 5.00 | 5.00 |
| $S_{7}$ | 0 | 1.00 | 2.25 | 2.25 | 0 | 1.00 | 2.00 | 2.40 | 0 | 2.00 | 2.25 | 2.25 | 2.00 | 4.00 | 4.00 | 4.00 |
| $S_{8}$ | 1.00 | 3.00 | 1.00 | 3.00 | 2.33 | 5.00 | 3.00 | 5.00 | 1.00 | 3.00 | 1.00 | 3.00 | 2.67 | 5.00 | 3.50 | 4.33 |
| $S_{9}$ | 0.50 | 1.67 | 1.67 | 2.25 | 0.50 | 2.25 | 2.25 | 2.83 | 0.50 | 2.25 | 2.25 | 2.83 | 2.25 | 4.00 | 4.00 | 4.00 |
| $S_{10}$ | 1.00 | 2.25 | 1.75 | 2.25 | 1.00 | 2.25 | 2.25 | 2.25 | 1.00 | 2.25 | 2.25 | 2.75 | 2.00 | 3.00 | 3.00 | 3.00 |
| $S_{11}$ | 0.50 | 2.25 | 1.80 | 2.25 | 0.50 | 2.25 | 2.00 | 2.25 | 0.50 | 2.00 | 2.75 | 2.75 | 1.75 | 3.00 | 3.00 | 3.00 |
| $S_{12}$ | 0.50 | 1.50 | 1.25 | 2.25 | 1.17 | 2.50 | 2.25 | 3.25 | 1.00 | 2.25 | 2.00 | 3.00 | 2.25 | 3.50 | 3.33 | 3.00 |
| $S_{13}$ | 0 | 0 | 1.50 | 1.50 | 0 | 0 | 1.50 | 1.50 | 0 | 1.50 | 3.00 | 3.00 | 1.83 | 2.75 | 3.67 | 3.67 |
| $S_{14}$ | 0.33 | 0 | 1.50 | 1.50 | 0.33 | 0 | 1.50 | 1.50 | 1.00 | 1.50 | 3.00 | 3.00 | 1.67 | 2.00 | 3.00 | 3.00 |
| $S_{15}$ | 0 | 0 | 1.50 | 1.50 | 0 | 0 | 1.50 | 1.50 | 1.00 | 1.50 | 3.00 | 3.00 | 3.00 | 2.00 | 3.00 | 3.00 |

Table 4: Payoff Values with $r=0.5$

|  | $S_{0}$ | $S_{1}$ | $S_{3}$ | $S_{4}$ | $S_{5}$ | $S_{6}$ | $S_{7}$ | $S_{8}$ | $S_{9}$ | $S_{10}$ | $S_{11}$ | $S_{12}$ | $S_{13}$ | $S_{14}$ | $S_{15}$ | $S_{16}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $S_{0}$ | 1.50 | 3.25 | 1.50 | 3.25 | 2.67 | 5.00 | 3.25 | 5.00 | 1.50 | 3.25 | 1.50 | 3.25 | 3.25 | 5.00 | 3.83 | 5.00 |
| $S_{1}$ | 2.00 | 3.00 | 3.38 | 3.38 | 2.00 | 4.00 | 3.33 | 4.00 | 2.00 | 3.33 | 3.38 | 3.38 | 3.50 | 5.00 | 5.00 | 5.00 |
| $S_{2}$ | 1.50 | 3.38 | 3.50 | 3.38 | 1.50 | 3.38 | 3.33 | 3.38 | 1.50 | 3.33 | 2.63 | 3.70 | 3.13 | 4.75 | 4.75 | 4.75 |
| $S_{3}$ | 2.00 | 3.38 | 3.38 | 3.38 | 2.00 | 3.38 | 3.38 | 3.38 | 2.00 | 3.38 | 3.38 | 3.38 | 3.38 | 4.75 | 4.75 | 4.75 |
| $S_{4}$ | 1.83 | 3.25 | 1.50 | 3.25 | 2.63 | 5.00 | 3.25 | 5.00 | 1.83 | 3.25 | 1.50 | 3.25 | 3.42 | 5.00 | 3.83 | 5.00 |
| $S_{5}$ | 2.50 | 2.75 | 3.38 | 3.38 | 2.50 | 3.38 | 3.38 | 4.00 | 2.50 | 3.38 | 3.38 | 3.38 | 3.75 | 5.00 | 5.00 | 5.00 |
| $S_{6}$ | 2.00 | 2.92 | 2.92 | 3.38 | 2.00 | 3.38 | 3.38 | 3.83 | 2.00 | 3.38 | 3.38 | 3.83 | 3.38 | 4.75 | 4.75 | 4.75 |
| $S_{7}$ | 2.50 | 2.75 | 3.38 | 3.38 | 2.50 | 2.75 | 3.42 | 3.60 | 2.50 | 3.42 | 3.38 | 3.38 | 3.63 | 4.75 | 4.75 | 4.75 |
| $S_{8}$ | 1.50 | 3.25 | 1.50 | 3.25 | 2.67 | 5.00 | 3.25 | 5.00 | 1.50 | 3.25 | 1.50 | 3.25 | 3.17 | 5.00 | 4.00 | 4.83 |
| $S_{9}$ | 2.00 | 2.92 | 2.92 | 3.38 | 2.00 | 3.38 | 3.38 | 3.83 | 2.00 | 3.38 | 3.38 | 3.83 | 3.38 | 4.75 | 4.75 | 4.75 |
| $S_{10}$ | 1.50 | 3.38 | 2.63 | 3.38 | 1.50 | 3.38 | 3.38 | 3.38 | 1.50 | 3.38 | 3.38 | 4.13 | 3.00 | 4.50 | 4.50 | 4.50 |
| $S_{11}$ | 2.00 | 3.38 | 3.20 | 3.38 | 2.00 | 3.38 | 3.42 | 3.38 | 2.00 | 3.42 | 4.13 | 4.13 | 3.25 | 4.50 | 4.50 | 4.50 |
| $S_{12}$ | 2.00 | 2.88 | 2.50 | 3.38 | 2.58 | 3.75 | 3.38 | 4.25 | 2.33 | 3.38 | 3.00 | 3.88 | 3.38 | 4.42 | 4.17 | 4.50 |
| $S_{13}$ | 2.50 | 2.50 | 3.50 | 3.50 | 2.50 | 2.50 | 3.50 | 3.50 | 2.50 | 3.50 | 4.50 | 4.50 | 3.58 | 4.13 | 4.67 | 4.67 |
| $S_{14}$ | 2.17 | 2.50 | 3.50 | 3.50 | 2.17 | 2.50 | 3.50 | 3.50 | 2.75 | 3.50 | 4.50 | 4.50 | 3.33 | 3.83 | 4.50 | 4.50 |
| $S_{15}$ | 2.50 | 2.50 | 3.50 | 3.50 | 2.50 | 2.50 | 3.50 | 3.50 | 3.17 | 3.50 | 4.50 | 4.50 | 4.50 | 3.83 | 4.50 | 4.50 |

Table 5: Payoff Values with $r=0.999$

|  | $S_{0}$ | $S_{1}$ | $S_{3}$ | $S_{4}$ | $S_{5}$ | $S_{6}$ | $S_{7}$ | $S_{8}$ | $S_{9}$ | $S_{10}$ | $S_{11}$ | $S_{12}$ | $S_{13}$ | $S_{14}$ | $S_{15}$ | $S_{16}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $S_{0}$ | 2.00 | 3.50 | 2.00 | 3.50 | 3.00 | 5.00 | 3.50 | 5.00 | 2.00 | 3.50 | 2.00 | 3.50 | 3.50 | 5.00 | 4.00 | 5.00 |
| $S_{1}$ | 3.50 | 4.00 | 4.50 | 4.50 | 3.50 | 4.50 | 4.17 | 4.50 | 3.45 | 4.17 | 4.50 | 4.50 | 4.29 | 5.00 | 5.00 | 5.00 |
| $S_{2}$ | 2.00 | 4.50 | 4.25 | 4.50 | 2.00 | 4.50 | 4.17 | 4.50 | 2.00 | 4.17 | 3.50 | 4.60 | 3.75 | 5.50 | 5.50 | 5.50 |
| $S_{3}$ | 3.50 | 4.50 | 4.50 | 4.50 | 3.50 | 4.50 | 4.50 | 4.50 | 3.50 | 4.50 | 4.50 | 4.50 | 4.50 | 5.50 | 5.50 | 5.50 |
| $S_{4}$ | 3.00 | 3.50 | 2.00 | 3.50 | 3.50 | 5.00 | 3.50 | 5.00 | 3.00 | 3.50 | 2.00 | 3.50 | 4.00 | 5.00 | 4.00 | 5.00 |
| $S_{5}$ | 5.00 | 4.50 | 4.50 | 4.50 | 5.00 | 4.50 | 4.50 | 4.50 | 5.00 | 4.50 | 4.50 | 4.50 | 5.00 | 5.00 | 5.00 | 5.00 |
| $S_{6}$ | 3.50 | 4.16 | 4.16 | 4.50 | 3.50 | 4.50 | 4.50 | 4.83 | 3.50 | 4.50 | 4.50 | 4.83 | 4.50 | 5.50 | 5.50 | 5.50 |
| $S_{7}$ | 5.00 | 4.50 | 4.50 | 4.50 | 5.00 | 4.50 | 4.83 | 4.80 | 5.00 | 4.83 | 4.50 | 4.50 | 5.25 | 5.50 | 5.50 | 5.50 |
| $S_{8}$ | 2.00 | 3.50 | 2.00 | 3.50 | 3.00 | 5.00 | 3.50 | 5.00 | 2.00 | 3.50 | 2.00 | 3.50 | 3.67 | 5.00 | 4.50 | 5.33 |
| $S_{9}$ | 3.50 | 4.16 | 4.16 | 4.50 | 3.50 | 4.50 | 4.50 | 4.83 | 3.50 | 4.50 | 4.50 | 4.83 | 4.50 | 5.50 | 5.50 | 5.50 |
| $S_{10}$ | 2.00 | 4.50 | 3.50 | 4.50 | 2.00 | 4.50 | 4.50 | 4.50 | 2.00 | 4.50 | 4.50 | 5.50 | 4.00 | 6.00 | 6.00 | 6.00 |
| $S_{11}$ | 3.50 | 4.50 | 4.60 | 4.50 | 3.50 | 4.50 | 4.83 | 4.50 | 3.50 | 4.83 | 5.50 | 5.50 | 4.75 | 6.00 | 6.00 | 6.00 |
| $S_{12}$ | 3.50 | 4.25 | 3.75 | 4.50 | 4.00 | 5.00 | 4.50 | 5.25 | 3.66 | 4.50 | 4.00 | 4.75 | 4.50 | 5.33 | 5.00 | 6.00 |
| $S_{13}$ | 5.00 | 5.00 | 5.50 | 5.50 | 5.00 | 5.00 | 5.50 | 5.50 | 5.00 | 5.50 | 6.00 | 6.00 | 5.33 | 5.50 | 5.66 | 5.66 |
| $S_{14}$ | 4.00 | 5.00 | 5.50 | 5.50 | 4.00 | 5.00 | 5.50 | 5.50 | 4.50 | 5.50 | 6.00 | 6.00 | 5.00 | 5.66 | 6.00 | 6.00 |
| $S_{15}$ | 5.00 | 5.00 | 5.50 | 5.50 | 5.00 | 5.00 | 5.50 | 5.50 | 5.33 | 5.50 | 6.00 | 6.00 | 6.00 | 5.66 | 6.00 | 6.00 |

- Case 2: For $\mathcal{T}=1, \mathcal{R}=0, \mathcal{P}=-10$ and $\mathcal{S}=-1$, we get three sub cases for different $r$ as in Tables 6:8

|  | $S_{0}$ | $S_{1}$ | $S_{3}$ | $S_{4}$ | $S_{5}$ | $S_{6}$ | $S_{7}$ | $S_{8}$ | $\mathrm{S}_{9}$ | $S_{10}$ | $S_{11}$ | $S_{12}$ | $S_{13}$ | $S_{14}$ | $S_{15}$ | $S_{16}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $S_{0}$ | -1.00 | -0.50 | -1.00 | -0.50 | -0.67 | 0 | -0.50 | 0 | -1.00 | -0.50 | -1.00 | -0.50 | -0.50 | 0 | -0.33 | 0 |
| $S_{1}$ | -5.50 | -2.20 | -2.50 | -2.50 | -5.50 | -0.00 | -1.83 | -0.00 | -5.50 | -1.83 | $-2.50$ | -2.50 | -2.75 | 0 | 0 | 0 |
| $S_{2}$ | -1.00 | -2.50 | -2.75 | -2.50 | -1.00 | -2.50 | -1.83 | -2.50 | -1.00 | -1.83 | -3.00 | -2.00 | -0.25 | 0.50 | 0.50 | 0.50 |
| $S_{3}$ | -5.50 | -2.50 | -2.50 | -2.50 | -5.50 | -2.50 | -2.50 | -2.50 | -5.50 | -2.50 | -2.50 | -2.50 | -2.50 | 0.50 | 0.50 | 0.50 |
| $S_{4}$ | -4.00 | -0.50 | -1.00 | -0.50 | -3.00 | 0 | -0.50 | 0 | -4.00 | -0.50 | -1.00 | -0.50 | -2.00 | 0 | -0.33 | 0 |
| $S_{5}$ | -10.00 | -5.00 | -2.50 | -2.50 | -10.00 | -2.50 | -2.50 | 0 | -10.00 | -2.50 | -2.50 | -2.50 | -5.00 | 0 | 0 | 0 |
| $S_{6}$ | -5.50 | -3.50 | -3.50 | -2.50 | -5.50 | -2.50 | -2.50 | -1.50 | -5.50 | -2.50 | -2.50 | -1.50 | -2.50 | 0.50 | 0.50 | 0.50 |
| $S_{7}$ | -10.00 | -5.00 | -2.50 | -2.50 | -10.00 | -5.00 | -3.17 | -1.80 | -10.00 | -3.17 | -2.50 | -2.50 | -4.75 | 0.50 | 0.50 | 0.50 |
| $S_{8}$ | -1.00 | -0.50 | -1.00 | -0.50 | -0.67 | -0.00 | -0.50 | $-0.00$ | -1.00 | -0.50 | -1.00 | -0.50 | -0.33 | -0.00 | -0.00 | 0.33 |
| $S_{9}$ | -5.50 | -3.50 | -3.50 | -2.50 | -5.50 | -2.50 | -2.50 | -1.50 | -5.50 | -2.50 | -2.50 | -1.50 | -2.50 | 0.50 | 0.50 | 0.50 |
| $S_{10}$ | -1.00 | -2.50 | -3.00 | -2.50 | -1.00 | -2.50 | -2.50 | -2.50 | -1.00 | -2.50 | -2.50 | -2.00 | -0.00 | 1.00 | 1.00 | 1.00 |
| $S_{11}$ | -5.50 | -2.50 | -4.00 | -2.50 | -5.50 | -2.50 | -3.17 | -2.50 | -5.50 | -3.17 | -2.00 | -2.00 | -2.25 | 1.00 | 1.00 | 1.00 |
| $S_{12}$ | -5.50 | -5.25 | -2.75 | -2.50 | -5.33 | -5.00 | -2.50 | -2.25 | -3.67 | -2.50 | 0.00 | 0.25 | -2.50 | -1.33 | 0.33 | 1.00 |
| $S_{13}$ | -10.00 | -10.00 | -4.50 | -4.50 | -10.00 | -10.00 | -4.50 | -4.50 | -10.00 | -4.50 | 1.00 | 1.00 | -4.67 | -2.00 | 0.67 | 0.67 |
| $S_{14}$ | -7.00 | -10.00 | -4.50 | -4.50 | -7.00 | -10.00 | -4.50 | -4.50 | -5.00 | -4.50 | 1.00 | 1.00 | -3.00 | -2.67 | 1.00 | 1.00 |
| $S_{15}$ | -10.00 | -10.00 | -4.50 | -4.50 | -10.00 | -10.00 | -4.50 | -4.50 | -6.33 | -4.50 | 1.00 | 1.00 | 1.00 | -2.67 | 1.00 | 1.00 |


|  | $S_{0}$ | $S_{1}$ | $S_{3}$ | $S_{4}$ | $S_{5}$ | $S_{6}$ | $S_{7}$ | $S_{8}$ | $S_{9}$ | $S_{10}$ | $S_{11}$ | $S_{12}$ | $S_{13}$ | $S_{14}$ | $S_{15}$ | $S_{16}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $S_{0}$ | -1.50 | -3.25 | -1.50 | -3.25 | -2.67 | -5.00 | -3.25 | -5.00 | -1.50 | -3.25 | -1.50 | -3.25 | -3.25 | -5.00 | -3.83 | -5.00 |
| $S_{1}$ | -5.75 | -3.30 | -3.75 | -3.75 | -5.75 | -2.50 | -3.58 | -2.50 | -5.75 | -3.58 | -3.75 | -3.75 | -5.38 | -5.00 | -5.00 | -5.00 |
| $S_{2}$ | -1.50 | -3.75 | -5.38 | -3.75 | -1.50 | -3.75 | -3.58 | -3.75 | -1.50 | -3.58 | -4.50 | -4.00 | -1.63 | -1.75 | -1.75 | -1.75 |
| $S_{3}$ | -5.75 | -3.75 | -3.75 | -3.75 | -5.75 | -3.75 | -3.75 | -3.75 | -5.75 | -3.75 | -3.75 | -3.75 | -3.75 | -1.75 | -1.75 | -1.75 |
| $S_{4}$ | -4.33 | -3.25 | -1.50 | -3.25 | -4.50 | -5.00 | -3.25 | -5.00 | -4.33 | -3.25 | -1.50 | -3.25 | -4.67 | -5.00 | -3.83 | -5.00 |
| $S_{5}$ | -10.00 | -5.00 | -3.75 | -3.75 | -10.00 | -3.75 | -3.75 | -2.50 | -10.00 | -3.75 | -3.75 | -3.75 | -7.50 | -5.00 | -5.00 | -5.00 |
| $S_{6}$ | -5.75 | -4.42 | -4.42 | -3.75 | -5.75 | -3.75 | -3.75 | -3.08 | -5.75 | -3.75 | -3.75 | -3.08 | -3.75 | -1.75 | -1.75 | -1.75 |
| $S_{7}$ | -10.00 | -5.00 | -3.75 | -3.75 | -10.00 | -5.00 | -3.92 | -2.70 | -10.00 | -3.92 | -3.75 | -3.75 | -5.88 | -1.75 | -1.75 | -1.75 |
| $S_{8}$ | -1.50 | -3.25 | -1.50 | -3.25 | -2.67 | -5.00 | -3.25 | -5.00 | -1.50 | -3.25 | -1.50 | -3.25 | -2.17 | -5.00 | -2.50 | -2.83 |
| $S_{9}$ | -5.75 | -4.42 | -4.42 | -3.75 | -5.75 | -3.75 | -3.75 | -3.08 | -5.75 | -3.75 | -3.75 | -3.08 | -3.75 | -1.75 | -1.75 | -1.75 |
| $S_{10}$ | -1.50 | -3.75 | -4.50 | -3.75 | -1.50 | -3.75 | -3.75 | -3.75 | -1.50 | -3.75 | -3.75 | -3.00 | 0 | 1.50 | 1.50 | 1.50 |
| $S_{11}$ | -5.75 | -3.75 | -5.00 | -3.75 | -5.75 | -3.75 | -3.92 | -3.75 | -5.75 | -3.92 | -3.00 | -3.00 | -2.13 | 1.50 | 1.50 | 1.50 |
| $S_{12}$ | -5.75 | -6.63 | -2.88 | -3.75 | -6.33 | -7.50 | -3.75 | -4.63 | -3.83 | -3.75 | 0 | -0.88 | -3.75 | -3.67 | -1.17 | 1.50 |
| $S_{13}$ | -10.00 | -10.00 | -10.00 | -4.25 | -10.00 | -10.00 | -4.25 | -4.25 | -10.00 | -4.25 | 1.50 | 1.50 | -5.33 | -3.00 | -0.67 | -0.67 |
| $S_{14}$ | -7.17 | -10.00 | -4.25 | -4.25 | -7.17 | -10.00 | -4.25 | -4.25 | -5.00 | -4.25 | 1.50 | 1.50 | -2.83 | -2.33 | 1.50 | 1.50 |
| $S_{15}$ | -10.00 | -10.00 | -4.25 | -4.25 | -10.00 | -10.00 | -4.25 | -4.25 | -6.17 | -4.25 | 1.50 | 1.50 | 1.50 | -2.33 | 1.50 | 1.50 |

Table 8: Payoff Values with $r=0.999$

|  | $S_{0}$ | $S_{1}$ | $\mathrm{S}_{3}$ | $S_{4}$ | $S_{5}$ | $S_{6}$ | $S_{7}$ | $\mathrm{S}_{8}$ | $S_{9}$ | $S_{10}$ | $S_{11}$ | $S_{12}$ | $S_{13}$ | $S_{14}$ | $S_{15}$ | $S_{16}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $S_{0}$ | -2.00 | -5.99 | -2.00 | -5.99 | -4.66 | -9.99 | -5.99 | -9.99 | -2.00 | -5.99 | -2.00 | -5.99 | -5.99 | -9.99 | -7.33 | -9.99 |
| $S_{1}$ | -6.00 | -4.40 | -5.00 | -5.00 | -6.00 | -5.00 | -5.33 | -5.00 | -6.00 | -5.33 | -5.00 | -5.00 | -7.99 | -9.99 | -9.99 | -9.99 |
| $S_{2}$ | -2.00 | -5.00 | -7.99 | -5.00 | -2.00 | -5.00 | -5.33 | -5.00 | -2.00 | -5.33 | -6.00 | -6.00 | -3.00 | -4.00 | -4.00 | -4.00 |
| $S_{3}$ | -6.00 | -5.00 | -5.00 | -5.00 | -6.00 | -5.00 | -5.00 | -5.00 | -6.00 | -5.00 | -5.00 | -5.00 | -5.00 | -4.00 | -4.00 | -4.00 |
| $S_{4}$ | -4.67 | -5.99 | -2.00 | -5.99 | -6.00 | -9.99 | -5.99 | -9.99 | -4.67 | -5.99 | -2.00 | -5.99 | -7.33 | -9.99 | -7.33 | -9.99 |
| $S_{5}$ | -10.00 | -5.00 | -5.00 | -5.00 | -10.00 | -5.00 | -5.00 | -5.00 | -10.00 | -5.00 | -5.00 | -5.00 | -10.00 | -9.99 | -9.99 | -9.99 |
| $S_{6}$ | -6.00 | -5.33 | -5.33 | -5.00 | -6.00 | -5.00 | -5.00 | -4.66 | -6.00 | -5.00 | -5.00 | -4.66 | -5.00 | -4.00 | -4.00 | -4.00 |
| $S_{7}$ | -10.00 | -5.00 | -5.00 | -5.00 | -10.00 | -5.00 | -4.67 | -3.60 | -10.00 | -4.67 | -5.00 | -5.00 | -7.00 | -4.00 | -4.00 | -4.00 |
| $S_{8}$ | -2.00 | -5.99 | -2.00 | -5.99 | -4.67 | -9.99 | -5.99 | -9.99 | -2.00 | -5.99 | -2.00 | -5.99 | -3.99 | -9.99 | -5.00 | -6.00 |
| $S_{9}$ | -6.00 | -5.33 | -5.33 | -5.00 | -6.00 | -5.00 | -5.00 | -4.66 | -6.00 | -5.00 | -5.00 | -4.66 | -5.00 | -4.00 | -4.00 | -4.00 |
| $S_{10}$ | -2.00 | -5.00 | -6.00 | -5.00 | -2.00 | -5.00 | -5.00 | -5.00 | -2.00 | -5.00 | -5.00 | -4.00 | 0 | -2.00 | -2.00 | -2.00 |
| $S_{11}$ | -6.00 | -5.00 | -6.00 | -5.00 | -6.00 | -5.00 | -4.67 | -5.00 | -6.00 | -4.67 | -4.00 | -4.00 | -2.00 | -2.00 | -2.00 | -2.00 |
| $S_{12}$ | -6.00 | -8.00 | -3.00 | -5.00 | -7.33 | -10.00 | -5.00 | -7.00 | -4.00 | -5.00 | 0 | -2.00 | -5.00 | -6.00 | -2.67 | -2.00 |
| $S_{13}$ | -10.00 | -10.00 | -4.00 | -4.00 | -10.00 | -10.00 | -4.00 | -4.00 | -10.00 | -4.00 | 2.00 | 2.00 | -6.00 | -4.00 | -2.00 | -2.00 |
| $S_{14}$ | -7.33 | -10.00 | -4.00 | -4.00 | -7.33 | -10.00 | -4.00 | -4.00 | -5.00 | -4.00 | 2.00 | 2.00 | -2.67 | -2.00 | 2.00 | 2.00 |
| $S_{15}$ | -10.00 | -10.00 | -4.00 | -4.00 | -10.00 | -10.00 | -4.00 | -4.00 | -6.00 | -4.00 | 2.00 | 2.00 | 2.00 | -2.00 | 2.00 | 2.00 |

## 6 Results

In this section, we will discuss the domination between the 16 strategies for (2P-IPD). We note that $S_{i}$ is outcompeted by $S_{j}$ if both $a_{j i}>a_{i i}$ and $a_{j j}>a_{i j}$, where $a_{i i}, a_{i j}, a_{j i}$ and $a_{j j}$ are elements of the payoff matrix as in (12). If the strategy $S_{i}$ is outcompeted by $S_{j}$, we can write $S_{i} \ll S_{j}$.

$$
\begin{gather*}
S_{i}  \tag{13}\\
S_{i} \\
S_{j} \\
S_{j}
\end{gather*}\left[\begin{array}{cc}
a_{i i} & a_{i j} \\
a_{j i} & a_{j j}
\end{array}\right]
$$

From Case 1, we get the following

1. When the relatedness average among the two players was $r=0.0001$ (small value), we see that the strategy $S_{2}$ can not be defeated by any other strategies, so it is the strongest one. We also note that the strategies $S_{0}$ (All D) and $S_{2}$ can outcompete the largest number of strategies.
2. When the relatedness average among players was $r=0.5$, we found no other strategy can defeat the strategies $S_{2}$ and $S_{4}$, so they are the strongest strategies. Also, we noticed that the strategy $S_{6}$ and $S_{9}$ (Grim) are outcompeted by the same unique strategy $S_{11}$.
3. When the relatedness average among players was $r=0.999$ (large value), we notice that $S_{2}$ retreated from its strength, and the strategies $S_{14}$ and $S_{15}$ (All $C$ ) become the strongest strategies, as there is no competitor. Also, we see that The strategies $S_{7}, S_{11}$ and $S_{13}$ are outcompeted by the same strategies, rather they are the strongest strategies, $S_{14}$ and $S_{15}$ (All $C$ ).

From Case 2, we get the following

1. When the relatedness average among players was $\mathrm{r}=0.0001$ (small value), the strategies $S_{0}$ (All $D$ ), $S_{8}, S_{14}$ and $S_{15}$ (All $C$ ) are the strongest strategies because no other strategy can defeat them and they defeat most of the strategies. We also note that the strategies $S_{10}$ (TFT) and $S_{13}$ cannot defeat any other strategy.
2. When the relatedness average among players was $\mathrm{r}=0.5$, the strategies $S_{0}$ (All $D$ ), $S_{8}, S_{14}$ and $S_{15}$ (All $C$ ) are the strongest strategies because no other strategy can defeat them, and they defeat most of the strategies. We also note that the strategies $S_{2}, S_{12}$ and $S_{13}$ cannot defeat any other strategy. Therefore, we see that The strategies $S_{6}$ and $S_{9}$ (Grim) are outcompeted by the same strategies.
3. When the relatedness average among players was $\mathrm{r}=0.999$ (large value), the strategies $S_{0}$ (All $D$ ), $S_{1}, S_{7}, S_{8}, S_{14}$ and $S_{15}$ (All $C$ ) are the strongest strategies because no other strategy can defeat them. We also note that the strategies $S_{2}, S_{12}$ and $S_{13}$ cannot defeat any other strategy. Therefore, we see that The strategies $S_{6}$ and $S_{9}$ (Grim) are outcompeted by the same strategies.

|  |  | Domination table of strategies $S_{i}$ |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | $T=$ | $R=3, P=1, S=0$ |  | $T=$ | $R=0, P=-10, S=-1$ |  |
|  |  |  | $r=0.0001$ | $r=0.5$ | $r=0.999$ | $r=0.0001$ | $r=0.5$ | $r=0.999$ |
|  |  | $S_{0}$ | $\begin{aligned} & s_{2}, \\ & s_{10} \\ & \hline \end{aligned}$ | $\begin{gathered} S_{2}, S_{3}, S_{6}, S_{9} \\ S_{10}, S_{11}, S_{12}, S_{14} \end{gathered}$ | $\begin{gathered} s_{1}, s_{2}, s_{3}, S_{4}, S_{6}, s_{9} \\ S_{10}, S_{11}, S_{12}, S_{13}, S_{14}, s_{15} \\ \hline \end{gathered}$ |  |  |  |
|  |  | $S_{1}$ | $\begin{gathered} S_{0}, S_{2}, S_{3}, S_{4}, S_{8} \\ S_{10}, S_{11} \\ \hline \end{gathered}$ | $\begin{gathered} S_{2}, S_{3}, S_{4}, \\ S_{10}, S_{11} \\ \hline \end{gathered}$ | $\begin{gathered} s_{3}, s_{6}, S_{7}, s_{9}, \\ S_{10}, S_{11}, S_{12}, s_{13}, s_{14}, S_{15} \\ \hline \end{gathered}$ | $S_{0}, S_{4}, S_{8}$ | $S_{0}, S_{4}, S_{8}$ |  |
|  |  | $S_{2}$ |  |  | $\begin{gathered} s_{3}, s_{5}, s_{7}, \\ s_{11}, s_{14}, s_{15} \\ \hline \end{gathered}$ | $S_{0}, S_{1}, S_{3}, S_{5}, S_{7}, S_{8}$ | $\begin{gathered} S_{0}, S_{1}, S_{3}, S_{5}, S_{7}, S_{8}, \\ S_{10}, S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} s_{0}, s_{1}, s_{3}, s_{5}, s_{6}, s_{7}, S_{8}, s_{9} \\ , s_{10}, s_{11}, s_{14}, s_{15} \\ \hline \end{gathered}$ |
|  |  | $S_{3}$ | $\begin{gathered} S_{0}, S_{2}, S_{4}, S_{7}, S_{8}, \\ S_{11} \\ \hline \end{gathered}$ | $\begin{gathered} S_{2}, S_{7}, \\ S_{2}, S_{7}, S_{11} \\ \hline \end{gathered}$ | $\begin{gathered} S_{7}, \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $S_{0}, S_{1}, S_{4}, S_{7}, S_{8}$ | $\begin{gathered} S_{0}, S_{1}, S_{4}, S_{7}, S_{8}, \\ S_{11} \\ \hline \end{gathered}$ | $\begin{gathered} s_{1}, S_{7}, \\ S_{11}, S_{14}, s_{15} \\ \hline \end{gathered}$ |
|  |  | $S_{4}$ | $S_{0}, S_{8}$ |  | $S_{12}, S_{13}, S_{14}, S_{15}$ | $S_{0}, S_{8}$ | $S_{0}, S_{8}$ | $S_{0}, S_{8}$ |
|  |  | $S_{5}$ | $\begin{gathered} S_{0}, S_{1}, S_{2}, S_{4}, S_{8}, \\ S_{11} \\ \hline \end{gathered}$ | $\begin{gathered} S_{1}, S_{2}, S_{4}, \\ S_{11} \\ \hline \end{gathered}$ | $S_{11}, S_{13}, S_{14}, S_{15}$ | $\begin{gathered} S_{0}, S_{1}, S_{4}, s_{8}, \\ s_{11} \\ \hline \end{gathered}$ | $\begin{aligned} & s_{1} \\ & s_{11} \\ & \hline \end{aligned}$ | $\begin{aligned} & s_{1}, \\ & s_{11} \\ & \hline \end{aligned}$ |
|  |  | $S_{6}$ | $S_{0}, S_{1}, S_{2}, S_{4}, S_{8}$ | $S_{11}$ | $S_{11}, S_{14}, S_{15}$ | $S_{0}, S_{1}, S_{2}, S_{4}, S_{8}$ | $S_{0}, S_{1}, S_{4}, S_{8}$ | $\begin{gathered} S_{7}, \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ |
|  |  | $S_{7}$ | $\begin{gathered} S_{0}, S_{1}, S_{4}, S_{5}, S_{6}, S_{8}, S_{9} \\ S_{12} \\ \hline \end{gathered}$ | $S_{1}, S_{4}, S_{5}$ | $S_{14}, S_{15}$ | $S_{0}, S_{1}, S_{4}, S_{5}, S_{6}, S_{8}, S_{9}$ | $S_{1}, S_{5}$ |  |
|  |  | $S_{8}$ | $\qquad$ $S_{10}$ | $\begin{gathered} S_{2}, S_{3}, S_{6}, S_{9} \\ S_{10}, S_{11}, S_{12}, S_{14} \\ \hline \end{gathered}$ | $\begin{gathered} s_{1}, S_{2}, S_{3}, S_{4}, S_{6}, S_{9}, \\ S_{10}, S_{11}, S_{12}, S_{13}, S_{14}, S_{15} \\ \hline \end{gathered}$ |  |  |  |
|  |  | $S_{9}$ | $S_{0}, S_{1}, S_{2}, S_{4}, S_{8}$ | $S_{11}$ | $S_{11}, S_{14}, S_{15}$ | $S_{0}, S_{1}, S_{2}, S_{4}, S_{8}$ | $S_{0}, S_{1}, S_{4}, S_{8}$ | $\begin{gathered} S_{7}, \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ |
|  |  | $S_{10}$ | $\begin{gathered} S_{7} \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{7} \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{7} \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{0}, S_{1}, S_{7}, S_{8} \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{0}, S_{1}, S_{7}, S_{8} \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{0}, S_{1}, S_{7}, S_{8}, \\ S_{11}, S_{14}, S_{15} \\ \hline \end{gathered}$ |
|  |  | $S_{11}$ | $\begin{gathered} S_{0}, S_{2}, S_{4}, S_{6}, S_{8}, S_{9}, \\ S_{12}, S_{14}, S_{15} \\ \hline \end{gathered}$ | $S_{14}, S_{15}$ | $S_{14}, S_{15}$ | $\begin{gathered} S_{0}, S_{4}, S_{6}, S_{8}, S_{9}, \\ S_{14}, S_{15} \\ \hline \end{gathered}$ | $S_{14}, S_{15}$ | $S_{14}, S_{15}$ |
|  |  | $S_{12}$ | $\begin{gathered} S_{0}, S_{1}, S_{2}, S_{4}, \\ S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{1}, S_{4} \\ S_{15} \\ \hline \end{gathered}$ | $S_{11}, S_{13}, S_{14}, S_{15}$ | $\begin{gathered} s_{0}, S_{2}, S_{4}, s_{8}, \\ S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{0}, S_{8} \\ S_{14}, S_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{8} \\ S_{14}, S_{15} \\ \hline \end{gathered}$ |
| $\begin{aligned} & \text { zo } \\ & \text { Be } \\ & \text { 总 } \end{aligned}$ |  | $S_{13}$ | $\begin{gathered} s_{0}, S_{1}, S_{2}, S_{3}, S_{4}, S_{5}, S_{6}, S_{7}, S_{8}, s_{9}, \\ S_{12} \end{gathered}$ | $S_{1}, S_{2}, S_{4}, S_{5}, S_{7}$ | $S_{14}, S_{15}$ | $\begin{gathered} S_{0}, S_{1}, S_{2}, S_{3}, S_{4}, S_{5}, S_{6}, S_{7}, S_{8}, S_{9} \\ S_{12} \\ \hline \end{gathered}$ | $\begin{gathered} s_{3}, s_{6}, S_{7}, s_{9}, \\ S_{14}, s_{15} \\ \hline \end{gathered}$ | $\begin{gathered} S_{7}, \\ S_{14}, S_{15} \\ \hline \end{gathered}$ |
| zin |  | $S_{14}$ | $\begin{gathered} S_{0}, S_{1}, S_{2}, S_{3}, S_{4}, S_{5}, S_{6}, S_{7}, S_{9} \\ S_{12}, S_{13} \\ \hline \end{gathered}$ | $\begin{gathered} S_{1}, S_{2}, S_{5}, S_{7}, \\ S_{13} \\ \hline \end{gathered}$ |  |  |  |  |
| 沯 |  | $S_{15}$ | $\begin{gathered} S_{0}, S_{1}, S_{2}, S_{3}, S_{4}, S_{5}, S_{6}, S_{7}, S_{9}, \\ S_{13} \\ \hline \hline \end{gathered}$ | $\begin{gathered} s_{1}, S_{2}, S_{4}, S_{5}, S_{7}, \\ S_{13} \\ \hline \hline \end{gathered}$ |  |  |  |  |

## Conclusion

Since the game is infinitely repeated, we consider any game strategy represented by finite states of automata (two states). We obtained the $16 \times 16$ payoff matrix for strategies by using the possibility of a small error in the automata implementation. We have taken various values of $\mathcal{T}, \mathcal{R}, \mathcal{P}$ and $\mathcal{S}$ for this game. The effect of noise on the degree of relatedness among players regarding the behavior of strategies and their payoff was studied using various average relatedness values. We concluded that, for Axelrod's values ( $\mathcal{T}=5, \mathcal{R}=3, \mathcal{P}=1, \mathcal{S}=0)$ with $r=0.0001$ and $r=0.5$, all strategies are defeated by at least two others except $S_{2}$. Also, for $r=0.999$, no strategy can outcompete the strategies S14 and S15. In the case of the Chicken game ( $\mathcal{T}=1, \mathcal{R}=0, \mathcal{P}=-10, \mathcal{S}=-1)$, whatever the strength of the relationship between players, no strategy can out compete the strategies $S_{0}$ (All $D$ ), $S_{8}, S_{14}$ and $S_{15}$ (All $C$ ).

## Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

## References

[1] R. B. Myerson, Game Theory: Analysis of Conflict, Harvard University Press., (1991).
[2] D. Fudenberg and E. Maskin, Evolution and Cooperation in Noisy Repeated Games, The American Economic Review, 80, 274279 (1990).
[3] J.W. Friedman, Game Theory with Applications to Economics, Oxford University Press, New York, 264, (1986).
[4] R. Axelrod, The Evolution of Cooperation, Basic Books, New York, 264, (2006).
[5] M.A. Nowak, K. Sigmund and E. El-Sedy, Automata, repeated games and noise, Journal of Mathematical Biology, 33, 703-722 (1995).
[6] V. Cao, An epistemic approach to explaining cooperation in the finitely repeated Prisoner's Dilemma, International Journal of Game Theory, 51, 53-85 (2022).
[7] E. El-Seidy and K.M. Soliman, Iterated symmetric three-player prisoner's dilemma game, Applied Mathematics and Computation, 282, 117-127 (2016).
[8] P. S. Park, M.A. Nowak, K. Sigmund and Ch. Hilbe, Cooperation in alternating interactions with memory constraints, Nature Communications, 13, 737 (2022).
[9] S. M. Abd El-Salam, E. El-Seidy and N. M. Reda, Predicting mood behaviors of Prisoner's Dilemma players, Journal of Computer Science, 4, 4650-4667 (2021).
[10] S. Atef, A. R. Abdel-Malek and E. El-Seidy, Monitor Reaction of Win Stay-Lose Shift Strategies in Iterated Three-Player Prisoner's Dilemma Game, Information Sciences Letters, 4, 1-15 (2023).
[11] E. EL-Seidy, The Effect of Noise and Average Relatedness between Players in Iterated Games, Applied Mathematics and Computation, 269, 343-350 (2015).
[12] E. EL-Seidy, S. El Din S. Hussien and A. M. Almuntaser, On The Behavior of Strategies in Iterated Games Between Relatives, International Journal of Scientific and Engineering Research, 6, (2015).
[13] E. EL-Seidy, M. M. Zayet, H. El-Hamouly and E. M. Roshdy, Memory, Noise, and Relatedness Effect on Iterated Prisoner Dilemma Strategies Behaviour, Journal of Game Theory, 5, 16-26 (2016).
[14] M. A. Nowak and K. Sigmund, The alternating prisoner's dilemma, Journal of Mathematical Biology, 168,219-226 (1994).
[15] E. EL-Seidy, M. M. Zayet, H. El-Hamouly and E. M. Roshdy, The Effect of Memory Change in Iterated Prisoner Dilemma Strategies Behaviour, Journal of Game Theory, 5, 1-8 (2016).


[^0]:    * Corresponding author e-mail: shimaa.atef@sci.asu.edu.eg\&shimaa.atef_90@yahoo.com

