Erratum

"On the failure of the linkage principle with financially constrained bidders" by Hanming Fang and Sérgio O. Parreiras was originally published in Volume 110, pp. 374-392. Typesetting errors occurred in five occasions. They are listed and corrected below.

- Eq. (2) on p. 378 should read as:
  \[
  b^k(x; x_0) = \frac{\lambda(x|x, x_0) [b^k(x; x_0) - \nu(x, x; x_0)]}{\gamma(b(x; x_0))[\varphi(x, x; x_0) - b^k(x; x_0)]}
  \]
  (2)

- Eq. (5) on p. 378 should read as:
  \[
  b^k(x; x_0) = \frac{\alpha + k + 1}{2x + \beta + kx_0} \frac{b^k(x; x_0) - (2x + \beta + kx_0)/(\alpha + k + 1)}{\theta}.
  \]
  (5)

- The beginning of the sentence immediately following Eq. (5) on p. 378 should read as "Under the condition that \( b^k(x; x_0) \) is positive for all \( x_0 \), ..."

- Eq. (A.1) on p. 383 should read as:
  \[
  \frac{d\Pi(b,x_1,x_0)}{db} = \left[ 1 - G(b) \right] \left\{ E \left[ S|X_1 = x_1, X_2 = \psi^k(b; x_0) ; X_0 = x_0 \right] - b \right\}
  \times f_{X_2|x_1,x_0} \left( \psi^k(b; x_0)|x_1, x_0 \right) \psi^{k'}(b; x_0)
  + \left\{ E \left[ S|X_1 = x_1, X_2 \geq \psi^k(b; x_0) ; X_0 = x_0 \right] - b \right\}
  \times \left( 1 - F_{X_2|x_1,x_0} \left( \psi^k(b)|x_1, x_0 \right) \right) g(b).
  \]
  (A.1)

- Eq. (A.2) on p. 384 should read as:
  \[
  \left[ 1 - G(b^k(x_1; x_0)) \right] \left[ b^k(x_1; x_0) - \nu(x_1, x_1; x_0) \right] f_{X_2|x_1,x_0}(x_1|x_1, x_0)
  + \left[ 1 - F_{X_2|x_1,x_0}(x_1|x_1, x_0) \right] g(b^k(x_1; x_0))
  \times \left[ \varphi(x_1, x_1; x_0) - b^k(x_1; x_0) \right] b^{k'}(x_1; x_0) = 0.
  \]
  (A.2)