



Chapter 7.2.2  
Underwriting syndicates

# Outline

- Problem and model assumptions
- Optimal syndicate size for issuers
- Co-underwriters
- Lead underwriter
- Summary

## ■ Problem and model assumptions

## ■ Optimal syndicate size for issuers

## ■ Co-underwriters

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■ Co-underwriters

■ Lead underwriter

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- ▶ This is only **feasible** if it meets the condition  $N^2 (N-1) (\eta c_H + (N-\eta) (c_H - c_L)) \leq \eta^2 (N-\eta)$  for  $N = N^*$  from the constraint on  $\lambda$

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■ Problem and model assumptions

■ Optimal syndicate size for issuers

■ Co-underwriters

■ Lead underwriter

■ Summary

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