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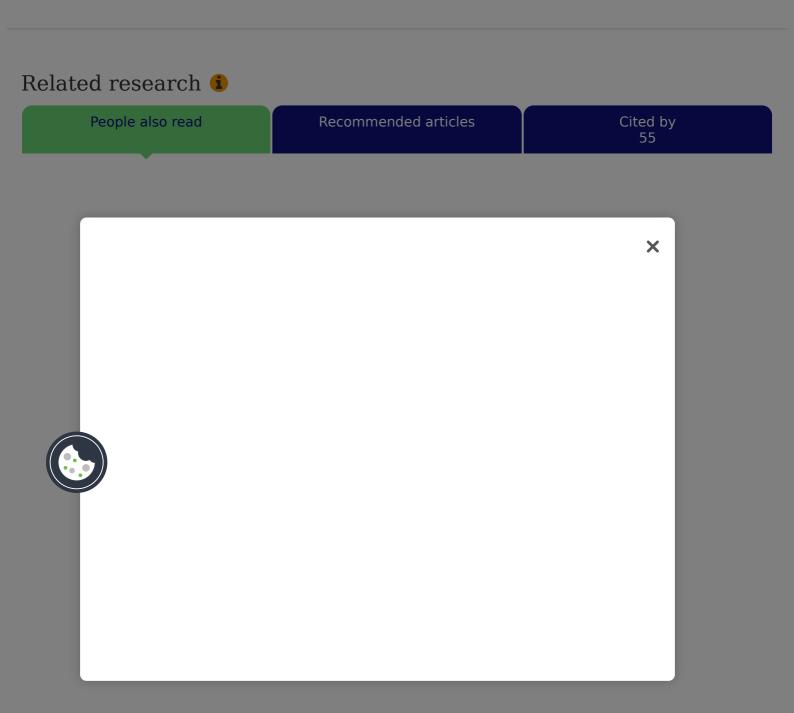
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decision and debt choice by including performance-based bonuses in the manager's

compensation. Our analyses show how managerial incentives may drive a manager to deviate from firm-optimal decisions and that low-margin producers face significant risk from this agency cost while high-margin producers face relatively low risk in using such compensation.

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