Thank you Romar Correa for your useful comments. The joint hypothesis mentioned in paragraph 3 of the paper, which involves the core premise of REH models that market outcomes can be characterized *ex ante* with a probability distribution, has been largely unnoticed in the literature. It applies to both REH and modern versions of EMH.

Page 7 of the the revised paper clarifies the distinction between the REH and NREH versions of the present value model. Like its REH counterpart, the NREH model specifies the set of quantitative structures and constrains them to share certain qualitative features—for example, that the impact of a particular causal factor on outcomes will be positive at each point in time. This then imposes qualitative constraints on $\mathcal{F}_t^{\mathrm{M}}(\cdot|v_t)$, which represents the market's point forecast in terms of fundamentals. However, a partly open model does not constrain *ex ante* how the model's structures change over time with a probabilistic rule. Instead, it places upper and lower bounds on this change during intervals of time. As a result, the model represents outcomes with a sequence of probability distributions that cannot be reduced *ex ante* to an overarching distribution.

Thank you for pointing out that the Knightian uncertainty term in equation (2) is confusing. We now make clear that it follows from a simple decomposition of the market's iterated forecasts at each iteration of the equilibrium condition.

As for your comment on our NREH model of the risk premium, γ_{1t}^{L} and γ_{1t}^{S} represent how the group of bulls and bears, respectively, interpret the gap in assessing the uncertainty of taking open positions in the market. We added a sentence to footnote 30 (the old footnote 9) on p. 26 to clarify that a small uncertainty premium in the aggregate does not imply that bulls and bears require a small premium to take open positions. A small market premium would arise if the group of bulls' and bears' premiums were large but comparable.