

Task Instructions & Compensation:

For this decision-making task, you will remain grouped with the same individual with whom you completed the first task.

You and the other member of your group will each have 50 tokens, and will make a decision about how you would like to use those tokens. As described below, your compensation for this task will depend on how you, and the other member of your group, decide to use your tokens. However, you will not learn the decision of your group member – nor will they learn your decision – until after the end of the experiment.

For this decision making task, you can use your tokens in the following ways, in any proportion that you would like:

Option #1 – Keep tokens. For each token you keep, you will receive \$0.04.

Option #2 – Contribute tokens to a group pot. For each token contributed, the group pot will receive \$0.06.

After determining the value of the group pot based on the total number of tokens that you and your other group member have contributed, each of you will receive an **equal split** (1/2) of the group pot, regardless of how many tokens each of you contributed to the group pot. As a reminder, no group member will communicate with the other member of the group at any time, nor will any group member learn of other group member's decision until after the experiment has ended.

For illustrative purposes, consider the following compensation examples:

1. A participant keeps their 50 tokens. The participant's other group member keeps all 50 of their tokens as well. The participant's compensation for this task is therefore calculated as follows:

Tokens kept	(50 tokens x \$0.04)	= \$2.00
Share of the group pot	(0 tokens x \$0.06 / 2 group members)	= \$0.00
Participant's compensation		= \$2.00

2. A participant keeps 25 tokens and contributes 25 tokens to the group pot. The participant's other group member contributes a total of 50 tokens to the group pot. The participant's compensation for this task is therefore calculated as follows:

Tokens kept	(25 tokens x \$0.04)	= \$1.00
Share of the group pot	(75 tokens x \$0.06 / 2 group members)	= \$2.25
Participant's compensation		= \$3.25

3. A participant contributes 50 tokens to the group pot. The participant's other group member contributes 50 tokens to the group pot. The participant's compensation is therefore calculated as follows:

Tokens kept	(0 tokens x \$0.04)	= \$0.00
<u>Share of the group pot</u>	<u>(100 tokens x \$0.06 / 2 group members)</u>	<u>= \$3.00</u>
Participant's compensation		= \$3.00

Your total compensation for the experiment will include your compensation for the task just described, as well as compensation from the first task you completed, and your \$2.00 participation fee.